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scams (<http://www.scam.com/index.php>)

- **MLM / Pyramid Scams** (<http://www.scam.com/forumdisplay.php?f=11>)
- - **Advantage Conferences BS (Merged)** (<http://www.scam.com/showthread.php?t=13128>)

Soapboxmom

06-08-2007 06:01 AM

Re: Advantage Conferences BS (Merged)

CIAROCHI AND ASSOCIATES, PLLC

One Hickory Centre
1800 Valley View Lane, Suite 130 Dallas, Texas 75234
(469) 522-0960
(214) 853-4658 (fax)
November 9, 2005

Via facsimile (214) 953-5822 Charles L. Babcock
Jackson Walker, LLP
90 I Main Street, Suite 6000 Dallas, Texas 75202

Re: Request for conference to avoid necessity of temporary restraining order
for Advantage Conferences, LLC vs. Better Business Bureau of Metropolitan Dallas

Dear Mr. Babcock:

I am writing regarding the above referenced matters. In general, Advantage Conferences, LLC ("my client") is complaining that your client, the Better Business Bureau of Metropolitan Dallas ("BBB" or "your client") had and has a website with false and misleading information. My client is very frustrated that your client made a decision to continue to have controversial and inflammatory language on its website instead of making a decision to post only neutral comments until the BBB completed a full review of my client's application. In these circumstances, it is best to proceed with caution.

My client believed that your client would take time this weekend to correct its mistakes. Unfortunately, your client's online references to my client have not been corrected. My client is very frustrated that your client acted very quickly in providing false and misleading information and that your client is doing too little, too late to try and undo its mistake.

If your client will not agree to change its website to address the following issues, my client will seek a restraining order on Thursday morning.

1. References to an "unsatisfactory record"

Remove references to an "unsatisfactory record." My client is frustrated that the determination of a "satisfactory" versus "unsatisfactory" record is entirely subjective and that individuals who have examined my client's site have been misled. My client changed its website as soon as possible after it received your client's suggestions. Is the standard of "satisfactory" versus "unsatisfactory" an indelible mark that cannot be removed? Was it based upon the BBB's first review of the site? Certainly now, there have been more days when your client believes that my client's website is "satisfactory" than days where your client found the website to be unsatisfactory.

EXHIBIT F

MY client is unaware of any way to satisfy the BBB. Is there any need to tell third parties that the BBB requested that my client alter its website content and point in the near future that this comment will be deleted.

The current distinction of "satisfactory" versus "unsatisfactory" records is likely to cause a third party to think that there is a serious problem with the organization.

2. Correction of the record regarding to references regarding Tim Darnell.

As I stated on the phone on Friday, Tim Darnell has not been the President of All-Star Entrepreneur, LLC for a very long time. I spoke with him and indicated that he resigned in the middle of 2003. After this time, the president of the organization was the name that I provided to you, Ms. Claudia Cawley.

It is my understanding that your client is taking the position that it is only referencing the information "identified in Bureau records." I do not know how else to state that the information contained in the BBB records is incorrect. Evidently, our prior discussion did not make its way to the information in the BBB's records, otherwise, that information would need to be updated. Please update this information.

It is highly inflammatory to suggest that someone was the last President of a large organization that is currently out of business. I understand that your client is a large organization that takes time to investigate this information. After five days, it evidently has not found the correct

information. Please direct your client to change this content.

3. Deletion of the references to the copyright and trademark issues.

My client is in the process of obtaining intellectual protection of the phrase "Millionaire Mindset Conference" and has used that phrase many times to protect its conferences from an affiliation with the conferences of competitors. As a matter of courtesy, my client attempted to appease the BBB and deleted all references to copyright or trademarks obtained.

4. Deletion of the substantiation of earning claims

As per your client's request for ten names of making "\$ 7,000.00 Over and Over Again," my client identified ten individuals who have all made money and satisfied your questions and claims. My client is puzzled in that it cannot understand why this reference is still on your client's website.

Your client has had ample time (more than a week) to contact the ten individuals on the phone numbers that my client provided. Has your client verified these facts yet? If there is an individual that you cannot reach, please identify the individual and my client will have them contact your client. After your client contacted these individuals, the website should have been updated to state that these claims were substantiated. The suggestion on your client's website, that the information requires additional review, is confusing and inflammatory.

5. Deletion of references to a "pyramid" marketing program.

My client's has provided sufficient information regarding this matter to justify its removal. If there is any doubt, the highly inflammatory and damaging accusation of being a "pyramid" should be removed from discussion until there is sufficient proof to justify such a claim.

The compensation structure of my client's business is not different from the compensation structure of International Galleries, Inc., Mary Kay, Inc., BeautiControl Cosmetics, Inc., Mannatech, Inc., or several other companies that your client reviews and creates reliability reports for.

I hope that you can appreciate that, given the effect of the prior statements by your client, it is best to proceed with such a matter with caution. If we cannot agree on the following, please allow this letter to serve as my conference on these issues.

I do not think that my client is asking for a product endorsement or any effort that goes beyond the respect and accord that the BBB should be offering to any business that it is going to evaluate on its website. Please contact my office at your earliest available opportunity.

Sincerely,

Jason Charles Ciarochi

TooLate4Me

06-08-2007 09:45 AM

Re: Advantage Conferences BS (Merged)

SBM,

Most of this information is accurate. I found a few errors, but most are right on target. Good info. to see. I now know who lied about their \$7K sales! Kinda sick if you think about it. But, that was the m.o., lie...lie...lie about how much you really make. It was definitely a cult mentality.

Soapboxmom

06-08-2007 09:48 AM

Re: Advantage Conferences BS (Merged)

CAUSE NO. 05-11461
ADVANTAGE CONFERENCES, LLC
Plaintiff,

BETTER BUSINESS BUREAU OF
METROPOLITAN DALLAS, INC.
AND JON TAYLOR,
Defendants.

DALLAS COUNTY, TEXAS
____ JUDICIAL DISTRICT

PLAINTIFF'S ORIGINAL PETITION AND APPLICATION FOR INJUNCTIVE RELIEF
COMES NOW, Advantage Conferences, LLC ("Plaintiff" or "AC") and hereby files this,
Plaintiff's Original Petition and Application for Injunctive Relief against the Better Business
Bureau of Metropolitan Dallas, Inc. and Jon Taylor and respectfully shows this Court as follows:

I.
Discovery Control Plan

1. Discovery is to be conducted under a Level Two Discovery Control Plan, as provided by
Rule 190.2 of the Texas Rules of Civil Procedure.

II.
Parties

2. Advantage Conferences, LLC, is a corporation with its principal place of business located
Tim's house

3. Defendant BBB is a corporation existing under the laws of the state of Texas. BBB may be
served upon its registered agent, Charles L Babcock at

.....

also believed to be the attorney for the BBB. Jon Taylor ("Taylor") is a resident of the state of Utah who engaged in acts which constituted doing business in the state of Texas, pursuant to Ch. 17.042 of the Texas Civil Practice and Remedies Code. Defendant Taylor's address is P.O. Box

Defendant does not have a regular place of business in Texas.

Defendant does not have an agent for the service of process. Because Defendant is a nonresident natural person service upon the Secretary of State of the State of Texas, pursuant to Ch. 17.044 (b) of the Texas "

Civil Practice and Remedies Code. Additionally, service may be made pursuant to the Texas long-arm statute. See TEX. CRV. PRAC. REM. CODE §§ 17.041 - 17.045.

III.

Venue and Jurisdiction

4. Pursuant to Ch. 15.002(a)(1) of the Texas Civil Practice and Remedies Code, venue is proper in Dallas County, Texas because a substantial part of the events or omissions giving rise to the claim occurred in Dallas County, Texas.

5. This Court has personal jurisdiction over all parties. Defendant Taylor purposefully availed himself to this jurisdiction. Defendant Taylor added references to Plaintiff's website to allow Defendant Taylor's website to be listed on the front page of a Google search whenever a websurfer added Plaintiff's to a search engine box. Defendant BBB conducts business in Dallas.

6. This Court has subject matter jurisdiction. Plaintiff's damages are in excess of the minimum jurisdictional requirements of this court.

7. Plaintiff contacted Defendant BBB regarding membership. After inquiring into the requirements of BBB membership, Plaintiff filled out an application form and paid money to BBB. The BBB responded by informing Plaintiff that its application was received and that it would need to investigate additional issues prior to voting on Plaintiff's application for membership. Defendant BBB sent a letter to AC on October 26, 2005. A true and correct copy of that letter is attached to this affidavit of Tim Darnell as Exhibit A.

A. Facts regarding false and misleading statements related to request for proof that ten individuals affiliated with Plaintiff made over \$ 7,000.

B. In that letter, the BBB requested that AC provide additional information prior to the vote of the membership committee. The BBB requested proof that ten individuals affiliated with Plaintiff had made more than \$ 7,000. See exhibit A to the affidavit of Tim Darnell. AC provided the BBB with the names of ten individuals who made over \$ 7,000 in its written response to the BBB. A true and correct copy of the letter submitted to the BBB on November 1, 2005 is attached as Exhibit B to the affidavit of Tim Darnell. Even after this information was submitted, the BBB website continued to have web postings that misled the general public on this issue and suggested that AC did not respond with correct information by the November 1, 2005 BBB

deadline. A true and correct copy of the information posted on the BBB website regarding AC is attached as Exhibit C to the affidavit of Tim Darnell. The November 2, 2005 BBB website posting, which was a day after AC responded, stated that the BBB was still awaiting a reply.

This information was false and misleading. AC contacted Mr. Christopher Burgess of the BBB after the erroneous postings continued and AC received no response. A true and correct copy of the correspondence between AC and the BBB dated November 3, 2005 is attached as Exhibit D to the affidavit of Tim Darnell. Up until Friday, November 5, 2005, the posting regarding this information remained the same. The BBB could easily contact all ten individuals on the list and verify that these individuals each earned the sum of money claimed. The BBB chose instead to only state that it has received information that it is reviewing. A true and correct copy of the BBB's web postings regarding AC is attached as Exhibit E to the affidavit of Tim Darnell. A statement that places AC's earnings in question and continuing statements to that effect have harmed and continue to harm AC. This issue was brought up to counsel for the BBB, Charles L. Babcock on several occasions. A true and correct copy of the correspondence between counsel for AC and the BBB from November 9, 2005 is attached as Exhibit F to the affidavit of Tim Darnell. In spite of being told that the information posted by the BBB is confusing and harmful, the BBB chose to ignore requests to provide additional information. True and correct copies of an earlier demand letter sent from counsel for AC to counsel for the BBB from November 3, 2005 is attached as Exhibit G to the affidavit of Tim Darnell.

B. Facts regarding claims of an "unsatisfactory record" with the BBB.

9. The current BBB website posting states that AC has an "unsatisfactory records with the Bureau due to Failure to discontinue advertising claims." See Exhibit E. This connotation is very negative and has had an adverse impact on the image of AC. These statements are false. AC was never given a demand by BBB to "discontinue advertising claims." During the application process and based upon the BBB's letter, AC modified its website to delete references to trademark or copyright applications. AC has been in the process of obtaining intellectual property for its marketing materials, including the phrase "Millionaire Mindset Conference." However, to please the BBB, AC deleted these references in its website. After AC changed its website, the BBB posting regarding AC did not report these changes and continued to state that the AC website violated the BBB's policies. See exhibit C to the affidavit of Tim Darnell. After contacting the BBB on several occasions after November 1, 2005 submission deadline to discuss why the BBB's website would not remove references to the "unsatisfactory" records, AC was very frustrated that it did not receive any feedback from the BBB as to why it was in violation. See Exhibit D to the affidavit of Tim Darnell. Counsel for the BBB was also asked to correct these website inaccuracies. A true and correct copy of correspondence between counsel for the BBB and AC dated November 4, 2005 is attached as Exhibit H to the affidavit of Tim Darnell. Ultimately, AC even removed copyright and trademark symbols on "buttons" that do not appear on the majority of the websites. All other references to copyright and trademarked materials were removed prior to this time. The evidence shows that the record of AC with regards to advertising is not unsatisfactory. AC has no ongoing violations of the BBB's policies and it never received a demand from the BBB. The notion of having a satisfactory record with an organization is important. The BBB webposting states that AC has a "unsatisfactory" record even though (1) AC complied with the BBB's standard as soon as the standard was first identified and

(2) a review of the total number of days in which the BBB has rated AC's website reveals that, at a minimum, AC has complied with the standard for several days and has had a web site that is satisfactory for more days than the limited period of time in which the BBB unilaterally labeled the website as unsatisfactory. It is false and misleading to state that AC has an unsatisfactory record when it is compliant. It is also false and misleading to suggest to third parties that AC had an unsatisfactory record "due to its failure to discontinue advertising claims" when it has changed its practices and it does not know of any claims that must discontinue. See Exhibit E to the affidavit of Tim Darnell. AC has attempted to resolve this matter without Court intervention on numerous occasions. See Exhibit H to the affidavit of Tim Darnell. Because this information is false and misleading and harmful, AC needs a restraining order to have it removed. Even the hint that AC has an unsatisfactory record with the BBB harms AC. Additionally, it is important to mention that the BBB appears to believe that the determination of having an unsatisfactory record with the BBB is a unilateral decision that cannot be reviewed.

The posting by the BBB appears to be an indelible mark in the BBB's mind. These statements have persisted even though AC has been in compliance with these standards ever since AC received notice of any issues with regards to the BBB's policy on website claims. It is false and misleading to state that a record is unsatisfactory when it has been satisfactory for more days than the number of days whereby BBB alerted AC of any deficiencies. See Exhibit E to the affidavit of Tim Darnell.

Soapboxmom

06-08-2007 09:50 AM

Re: Advantage Conferences BS (Merged)

C. False and misleading information regarding Tim Darnell.

10. AC contacted the BBB with regards to false and misleading information relating to AC and Tim Darnell. The web posting by the BBB indicates that the President of AC was also the President of All-Star Entrepreneur, LLC, a company that is no longer in business. See Exhibit H to the affidavit of Tim Darnell. This information is not accurate. The BBB has been told on more than one occasion that Claudia Cawley was the last president of All-Star Entrepreneur, LLC and that Tim Darnell resigned in mid 2003. This information was sent to the BBB in writing. See exhibits F and H to the affidavit of Tim Darnell. Evidently the BBB believes that the information is correct "according to information in Bureau records." Given that the BBB's records should have been updated to include this additional information, the statements on the BBB's website regarding AC are false and misleading. The BBB has had ample time to contact Claudia Cawley or me and verify this claim. The BBB appears unwilling to do so without Court intervention.

D. Deletion of the references to copyright and trademark issues

11. Similar to the issue of the claim of an "unsatisfactory record" the BBB site has a claim that AC had a website that was in violation of the BBB's policies regarding the use of trademarks and copyrights. AC removed all of its references to these and yet the BBB posting insists on stating a

prior "violation." See Exhibit H to the affidavit of Tim Darnell. This is true even though AC has submitted intellectual property protection for phrases such as the "Millionaire Mindset Conference" and AC has used these phrases exclusively for several years. AC's competitors try to take advantage of the AC name and AC's names for its conferences to try and get business, just as Defendant Jon Taylor attempted to do by having his website appear first in a Google website search for the name of my company, "Advantage Conferences, LLC." It is harmful for the BBB postings to suggest that AC had wrongfully had the intellectual property claims affiliated with these phrases when the BBB knew that this information was used solely for the BBB. Additionally, there is no public benefit in having the BBB unilaterally suggest wrongful conduct by AC.

E. Deletion to references of a "pyramid" marketing scheme

12. Allegations that a company is a ponzi scheme or an illegal pyramid scheme are harmful to a business regardless of whether they are substantiated. After AC submitted its application to join the BBB, the BBB required that AC submit an explanation as to why it is not attempting to conduct an illegal pyramid scheme. See Exhibit A to the affidavit of Tim Darnell. AC timely submitted a detailed explanation on this issue. See Exhibit B to the affidavit of Tim Darnell. Even days after this information was submitted to the BBB, the BBB webposting regarding AC stated that "On October 25, 2005, the Bureau contacted the company with evidence that it was primarily promoting a pyramid scheme through its website" and that the BBB was still awaiting a reply that was due on November 1, 2005. See Exhibit C. These postings caused harm to AC and caused AC to lose sales. Even the most recent postings on the BBB site referencing AC refer to the "pyramid". See Exhibit E. Counsel for Plaintiff and Plaintiff have made numerous complaints that is highly inflammatory to suggest that AC is a concocted fraud or pyramid scheme and to leave the allegation of criminal activity on the website. See Exhibits F, G, and H to the affidavit of Tim Darnell. AC is harmed when a webposting suggests that it is part of a pyramid scheme. These postings harm AC regardless of what the BBB ultimately believes about AC. Additionally, several other companies in the Dallas area with positive reviews from the BBB have used and are currently operating with similar marketing and compensation packages such as International Galleries, Inc., Mary Kay, Inc. BeautiControl Cosmetics, Inc. m.d Mannatech, Inc. All of this information was shared with the BBB. See Exhibit F to the affidavit of Tim Darnell.

F. Defendant BBB's conduct has encouraged several other rogue internet web hosts to also defame Plaintiff.

12a. Upon information and belief, Defendant Jon Taylor learned of Plaintiff's business through the BBB. Defendant Taylor then made his own website that accuses Plaintiff of misconduct. Defendant Taylor has never been a customer of Plaintiff and has not made any inquiries in Plaintiff's organization. A true and correct copy of Defendant Taylor's web postings is attached as Exhibit I to the affidavit of Tim Darnell. The statements contained in this webposting are not true. Defendant Taylor never contacted Plaintiff regarding its information or its compensation structure. Defendant Taylor has been asked to remove his website and has agreed to do so. A true and correct copy of the letters between Plaintiff and Mr. Taylor is attached as Exhibit J to the Affidavit of Tim Darnell. As of the date of the filing of this lawsuit, Defendant Taylor has not removed the website referencing Plaintiff and the false and misleading statements harm Plaintiff.

12b. The actions of Defendant caused Plaintiff to suffer damages. Over \$ 30,000 of sales were lost because customers said that the BBB website said that AC is conducting a pyramid scheme. The attendance and sales at the upcoming conferences will be reduced because of the BBB's and Taylor's comments and Plaintiff will be unable to estimate how many additional sales will be lost because of Defendants' comments.

12c. Plaintiff will be unable to calculate the loss of the damages and without injunctive relief, Plaintiff will be afforded no adequate remedy at law.

Soapboxmom

06-08-2007 09:52 AM

Re: Advantage Conferences BS (Merged)

V. Breach of Contract

13. Plaintiff incorporates herein the paragraphs above as if set out in full.

14. BBB breached its agreement and this conduct constituted a breach of contract because:

- a. AC and BBB had a valid, enforceable contract;
- b. AC performed, tendered performance, or was excused from performing its contractual obligations;
- c. BBB breached the contract; and
- d. BBB's breach caused injury to AC.

VII. Defamation

15. Plaintiff incorporates herein the paragraphs above as if set out in full.

16. The acts of Defendants BBB and Taylor give rise to a cause of action of defamation because:

- a. The Defendants published a statement.
- b. The statement referred to Plaintiff.
- c. The statement was defamatory.
- d. The statement was false.
- e. With regard to the truth of the statement, the Defendant was acting with malice; negligent; or

liable without regard to fault; and
The Plaintiff suffered pecuniary injury or injury is presumed.

VIII. Business Disparagement

17. Plaintiffs incorporate herein the paragraphs above as if set out in full.

18. The acts of Defendant BBB and Taylor give rise to a cause of action of business disparagement because:

- a. The Defendants published disparaging words about Plaintiffs economic interests;
- b. These words were false;
- c. The Defendants published the words with malice;
- d. The Defendants published the words without privilege; and
- e. The publication caused special damages.

IX. Negligence

19. Plaintiff incorporates herein the paragraphs above as if set out in full.

20. The conduct of Defendants Taylor and the BBB constitute negligence because:

- a. Defendants owed a duty to Plaintiff;
- b. Defendants breached that duty;
- c. Defendants' breach of that duty proximately caused damages to Plaintiff; and These damages were foreseeable.

X. Tortious Interference with an existing contract

21. Plaintiff incorporates herein the paragraphs above as if set out in full.

22. the conduct of the Defendant BBB and Taylor constitutes tortious interference with an existing contract because:

- a. Plaintiff had valid contracts;
- b. The Defendants willfully and intentionally interfered with that contract;
- c. The interference was a proximate cause of Plaintiff's injury; and

d. Plaintiff incurred actual damage or loss.

XI. Tortious Interference with a Prospective Contract

23. Plaintiff incorporates herein the paragraphs above as if set out in full.

24. The conduct of the BBB and Taylor constitutes tortious interference with

a prospective contract because:

a. There was a reasonable probability that Plaintiff would have entered into a business relationship with a third person;

b. The Defendants willfully and intentionally interfered with that relationship;

c. The Defendants' conduct was independently tortious or unlawful;

d. The interference was a proximate cause of Plaintiff's injury; and

e. Plaintiff incurred actual damage or loss.

XI. Attorneys' Fees

25. Plaintiff incorporates herein the paragraphs above as if set out in full.

26. As a result of the acts and omissions of Defendant, Plaintiff has engaged the undersigned counsel and have agreed to pay counsel's reasonable attorneys' fees and costs and expenses associated with advancing the claims in this lawsuit.

27. Plaintiff seeks to recover its reasonable attorneys' fees and expenses against Defendants.

XII. Application for Injunctive Relief

28. Plaintiff incorporates herein the paragraphs above as if set out in full.

29. In support of this Application, Plaintiff refers to and incorporates by reference the affidavit of Tim Darnell. By reason of the acts and practices of Defendants, as more fully set forth hereinabove, Plaintiff is suffering and will continue to suffer, incalculable financial loss and great, irreparable injuries to itself and reputation for which there is no adequate remedy at law.

30. Pursuant to Texas Rules of Civil Procedure 680, Plaintiff is entitled to injunctive relief against Defendant BBB and Taylor. An imminent threat exists that Defendants will continue to disparage and defame Defendants and irreparably damage its reputation. Plaintiff has no adequate remedy at law in that irreparable harm will result to Plaintiff if Defendants' actions are not restrained by this Court.

31. Without an injunction issued by this Court, Plaintiff will be irreparably harmed by, among other things, the fact that (1) they will have no means of preventing future disparaging remarks from Defendant; (2) it will lose an incalculable and unknown amount of business; (3) it may have to suffer from further harms to their reputation and cancel an upcoming conference; (4) it will be unable to ever know the extent of loss of their reputation or which clients and members of AC were affected by this; (5) because members and clients of AC are also the impetus of future sales and referrals, they will be unable to calculate the losses and be awarded sufficient monetary damages ..

32. By virtue of the foregoing, Plaintiff has demonstrated the likelihood of success on the merits of their claims and a balancing of the equities favoring the issuance of a Temporary Restraining Order and Temporary Injunction against Defendant. Plaintiff respectfully prays that this Court issue a Temporary Restraining order and that the BBB and Jon Taylor and their agents, officers, directors, employees and any other person or entity acting in concert with or on behalf of Defendants BBB or Taylor, including but not limited to the BBB or Taylor; be restrained and/or ordered to perform as follows:

a. posting information on their websites or otherwise communicating to third parties that AC is engaged in a pyramid scheme, may be involved in a pyramid scheme, is being investigated for being involved in pyramid scheme, or even a statement comparing AC to a pyramid;

b. insinuating to third parties that AC has violated copyright, trademark, or other federal law regarding the use of intellectual property;

c. insinuating to third parties that AC does not have a satisfactory record with the BBB;

d. contacting actual or potential clients or representatives of AC and insinuating that AC may be involved in a pyramid scheme or other illegal activities;

e. stating or representing to third parties that any of its claims on its website are untrue or are subject to a review or investigation;

f. providing any statements to third parties that AC is in violation of, was in violation of, any BBB policy;

g. providing any statements to third parties any statement that AC has an unsatisfactory record with the BBB;

h. providing any statement that Tim Darnell was the President of All-Star Entrepreneur, LLC when it went out of business, any statement that Tim Darnell was the last President of All-Star Entrepreneur, LLC, or even any statement that Tim Darnell was the President of All-Star Entrepreneur, LLC on a website referencing AC, since the association and claims are misleading; and refrain from referencing Tim Darnell and Advantage Conferences, LLC on its website until this restraining order expires.

XIII. Conditions Precedent

33. All conditions precedent to recovery for the release sought herein have been satisfied.

XIV. Exemplary Damages

34. Plaintiff incorporates all other facts of this petition. These facts demonstrate that Defendants acted with the culpable mental state to entitle Plaintiff to exemplary damages and Plaintiff prays for the same.

WHEREFORE, Plaintiff Advantage Conference, LLC pray that Jon Taylor and BBB be ordered to appear in these proceedings and thereafter Plaintiffs recover against Defendants as follows: injunctive relief as prayed for herein, damage in excess of the Court's minimum jurisdictional limits, including exemplary damages, statutory pre and post judgment interest allowed at the maximum legal rates; reasonable and necessary attorneys' fees; and for such other and further relief as the Court deems appropriate and necessary.

Respectfully submitted,

Ciarochi and Associates, PLLC One Hickory Centre
1800 Valley View Lane, Suite 130 Dallas, Texas 75234
Telephone: 469-522-0960
Fax: 214-853-4658

~

Ciarochi No. 24012424

Attorney for Plaintiff Advantage Conferences, LLC

CERTIFICATE OF COMPLIANCE WITH LOCAL RULES

I hereby certify that to the best of my knowledge Jon Taylor is not represented by counsel in the matter made the basis of this suit. Counsel for Plaintiff has contacted Mr. Taylor and asked him for the appropriate legal contact or address and counsel has received no response. I hereby certify that to the best of my knowledge the BBB is represented by Charles L. Babcock and David C. Myers of Jackson Walker, LLP. I certify that to the best of my knowledge, this case is not subject to transfer under Local Rule 1.06.

Soapboxmom

06-08-2007 10:14 AM

Re: Advantage Conferences BS (Merged)

COMPANY INFO

NAME Advantage Conferences, LLC

CONTACT: Timothy Darnell His home

PHONE 972 727 -4995

JOB Desc: 20092 - Multi-Level Selling Co .

FILE OPEN: June 2005 REPORT CODE: CUST REPORT EXPIRES: Nov 3, 2008

CONSUMER INFO

NAME: Tola Kim

VALUE: \$9995.00

DETAILS

CONCERNING: Refund or Exchange Issues

OPENED 24 April 2006

ASSIGNED TO Lee Stallings

NATURE OF DISPUTE: My husband and I risked joining Advantage Conferences in February 2006 knowing that if this business opportunity did not work out we could request our refund of \$9995. Every Tuesday and Thursday Advantage Conferences has a conference call where a speaker explains a little bit about the company and the opportunity to make "\$7000 over and over again." Every speaker always state the fact that if someone is not pleased with the conference, Advantage Conferences will be more than glad to refund their money on the spot at the end of the conference. The \$9995 was the price my husband and I paid in purchasing the 2-day conference. The conference was held in April 2006 in Orlando Florida but my husband and I could not attend because we did not have money to purchase our plane tickets. We decided that we could wait and try to save money so we could attend the conference to be held in October 2006 at Dallas. After much consideration, my husband and I decided that this business was not the best thing for us right now because we were struggling financially to make ends meet. On March 27, 2006 I emailed the Advantage Conferences office but had no response. On April 1, 2006 I emailed Tim Darnell, the President of Advantage Conferences and instead of emailing me a response, Mr. Darnell sent the following email to all members of Advantage Conferences -- "Please see the attached forms that replace all Form AC2000s that you have saved. This version is the new official version to be used for all AC Rep Candidates from this date forward.

Due to possible Conference refunding policy abuse, which could potentially undermine the purpose of that language, we are extracting referenced verbiage from all documents, published materials, and policies and procedures. Sellers (Advantage Conferences and Pro Reps and IV Mentors) have specific state and federal code that protects them from such abuses, which AC legally relies upon that being the 72 hour Right of Rescission mandate, after which time period refund is not available in any circumstance whatsoever." After reading this email, I knew that I was not going to get my refund easily. Then on April 12, 2006 I emailed Tim Darnell again asking for my refund. Mr. Darnell finally responded, "Refund is only applicable in the event of our not providing the product the Millionaire Mindset Conference." My husband and I decided to email Mr. Darnell one last time. This was the email we sent him --

"Hi Tim,

When we joined Advantage Conferences, it was our understanding that we were able to get our money back if for any reason we were not satisfied. On the step 3 \$7000 call, Sam Crowley stated that if after the conference we were not satisfied, we can request a refund and a check would be written to us right away. We have listened to a couple more \$7000 calls and the same things were said. This was the major reason why we decided to join in the first place. Now you

seem to be saying that we cannot get our money back. If this is the case, we feel that we have been deceived. If we knew from the beginning that we could not get our money back, we would not have joined.

BBB-000299

We request our \$9,995 be refunded to us. Please let us know when we can expect our refund. We are hoping that this could be resolved as soon as possible."

We have not heard from Mr. Darnell. We have been deceived. If we knew from the beginning that there was no refund, we would never have joined Advantage Conferences. It does not make sense that people in the financial state that my husband and I are in would join at \$9995 if there was no refund policy.

DESIRED RESOLUTION.:We want our \$9,995 back. If we have to go to a conference in order to get it back, then so be it.

BUSINESS RESPONSE:

DECISION

Date

Staff

Description

Letter

2006-04-23 web 2006-04-24 JER 2006-04-24 Otto 2006-04-24 Otto 2006-05-10 OttO 2006-05-10 OttO 2006-05-11 WEB Timothy Darnell/President Contact Phone: 972-727-4995

Contact Email: office@advantageconferences.com

Our purchaser, Tola Kim acknowledged product purchase guidelines and parameters, including options for refund at the time of their product purchase, by virtue of our signed contract. Any opportunity for a refund request occurring after the 72 hour right of rescission, according to their signed contract required personal attendance at the Conference (use of the product). The purchaser elected to not attend and is therefore not eligible for a refund.

100 - Case Received by BBB 150 - Case Reviewed by BBB

200 - Send Acknowledgement to Consumer 300 - Notify Business of Dispute

310 - No response to first notice to business 400 - Reminder of Dispute to Business

1000 - Receive Business Response

Contact Name and Title:

Mrs. Kim states, "Every speaker always state that the fact that if someone is not pleased with the conference, Advantage Conferences will be more than glad to refund their money on the spot at the end of the conference." That is correct. What she apparently failed to notice in that statement is the stated and written stipulation that they must attend the conference. This is very clear in all oral presentations as well as in our President's Interview, the initial document signed by Mrs. Tala, and in the enrollment contract that Mrs. Kim also signed. Any and all Reps training or speaking on live AC calls are acutely aware of that stipulation and are instructed and monitored

in all verbiage so that anyone who is listening can plainly understand this simple rule.

Success as a Representative or failure to market on a consistent basis as a Representative at Advantage Conferences has nothing to do with the decision to purchase an Advantage Conferences product. That purchase is optional and non-obligatory. It is puzzling why someone would purchase a product with the intention of asking for a refund, but also the very reason that AC refund protection policies are necessary and part and parcel to each purchase.
Tim Darnell AC President

BBB-000300

2006-05-12 TABS 1100 - Forward Business response to Consumer CL T.cf.rtf

2006-05-15 WEB 3000 - BBB Reviews Consumer Rebuttal to Business

Response (The consumer indicated he/she DID NOT accept the response from the business.)

I asked Mr. Tim Darnell that if I could get my refund after I attend the next conference this coming fall season and he never responded. All he responded with was, "Refund is only applicable in the event of our not providing the product at the Millionaire Mindset Conference." In his reply he's saying that I will only get a refund if he doesn't

BBB-000301

Better Business Bureau of Metropolitan Dallas, Inc. 1601 Elm Street, Ste 3838
Dallas, TX 75201
Tel: (214) 220-2000 Fax: (214) 740-0326
July 19, 2006
Timothy Darnell
Advantage Conferences, LLC 1513 Home Park Dr.
Allen, TX 75002
RE: Case # 91008513: Tola Kim

We have recently received a complaint from one of your customers seeking our assistance in resolving a dispute. The complaint is enclosed. We have made no judgment on the merits of this complaint and understand that there are often differing versions involving disputes.

Our organization promotes and encourages voluntary resolution to disputes between companies and complainants. To do this, we have a process by which we attempt to achieve resolution by the use of written responses from each party. Accordingly, we are asking that you provide us with a written Company Answer. We ask that this Company Answer address the points stated in the Original Complaint and reviews the complainants Desired Resolution. We encourage you to provide any and all documentation that helps support your written version of the dispute.

We ask that you provide this Company Answer to us within 22 days. If you should need additional time to answer this complaint, please contact the Complaint Resolution Department at 214-740-0349. Your participation in this process is voluntary. However, if we do not receive a Company Answer, the complaint will closed as an Unanswered Complaint.

Once received, we will forward your Company Answer to the complainant. We will ask the complainant to respond, in writing, on whether your Company Answer resolves the dispute with your company. If they express continued dissatisfaction, the case will then be reviewed by BBB staff. The overall standard applied in the review process is Did the company act in good faith, and did it do everything it could have reasonably been expected or reasonably been responsible to do to resolve the issue? We wish to convey that the Dallas BBB is impartial to each dispute brought before it, and any review will be based on the merits of the documentation submitted by each party.

We have several options in how to provide a written Company Answer.....

Thank you in advance for your willingness to answer this complaint, and for your participation in self regulation of dispute resolution.

Sincerely,

Lee Stallings

Director of Complaint Resolution Department

BBB-000302

nastyoldfred

06-08-2007 11:59 AM

Re: Advantage Conferences BS (Merged)

If this sicko man is bother you sweetie, I will tear his face into two and kickem making him bend over. I'll track him down you watch.

COMPANY INFO

NAME Advantage Conferences, LLC

CONTACT: Timothy Darnell His home

PHONE 972 727 -4995

JOB Desc: 20092 - Multi-Level Selling Co .

FILE OPEN: June 2005 REPORT CODE: CUST REPORT EXPIRES: Nov 3, 2008

Soapboxmom

06-08-2007 08:46 PM

Re: Advantage Conferences BS (Merged)

CAUSE NO. 05-11461

ADVANTAGE CONFERENCES, LLC

Plaintiff,

v.

BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC. AND JON TAYLOR,
Defendants.

DALLAS COUNTY, TEXAS
4th: JUDICIAL DISTRICT

Affidavit of Tim Darnell

BEFORE ME, the undersigned notary, on this day personally appeared Tim Darnell, a person whose identity is known to me. After I administered an oath to him, upon his oath, he said:

1. "My name is Tim Darnell. I am capable of making this affidavit. I am over the age of 21, competent, and I have not been convicted of a crime involving dishonesty or a felony. The facts stated in this affidavit are within my personal knowledge and are true and correct.
2. "I have read Plaintiff's Original Petition and Application for Temporary Restraining Order ("Petition"). The allegations stated therein are within my personal knowledge and are true and correct.
3. "I am an officer of Advantage Conferences, LLC ("AC").
4. "AC applied for membership in the Better Business Bureau of Metropolitan Dallas, Inc. ("BBB"). AC paid a fee to the BBB and submitted information regarding

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT¹

AC's business. Defendant BBB sent a letter to AC on October 26, 2005. A true and correct copy of that letter is attached to this affidavit as Exhibit A.

A. Facts regarding false and misleading statements related to request for proof that ten individuals affiliated with Plaintiff made over \$ 7,000.

5. "In that letter, the BBB requested that AC provide additional information prior to the vote of the membership committee. The BBB requested proof that ten individuals affiliated with Plaintiff had made more than \$ 7,000. See exhibit A. AC provided the BBB with the names, addresses, and telephone numbers of ten individuals who made over \$ 7,000 in its written response to the BBB. A true and correct copy of the letter submitted to the BBB on November 1, 2005 is attached as Exhibit B. Even after this information was submitted, the BBB website continued to have webpostings that misled the general public on this issue and suggested that AC did not respond with correct information by the November 1, 2005 BBB deadline. A true and correct copy of the information posted on the BBB website regarding AC is attached as Exhibit C. The November 2, 2005 BBB web posting regarding AC, which was one day after AC responded, stated that the BBB was still awaiting a reply. This information was false and misleading. I contacted Mr. Christopher Burgess of the BBB after the erroneous postings

continued and I received no response. A true and correct copy of the correspondence between AC and the BBB dated November 3, 2005 is attached as Exhibit D. Up until Friday, November 5, 2005, the posting regarding this information remained the same. The BBB could easily contact all ten individuals on the list and verify that these individuals each earned the sum of money claimed. The BBB chose instead to only state that it has received information that it is reviewing.

A true and correct copy of the BBB's

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

2 web postings regarding AC is attached as Exhibit E. A statement that places AC's earnings in question and continuing statements to that effect have harmed and continue to harm AC. This issue was brought up to counsel for the BBB, Charles L. Babcock on several occasions. A true and correct copy of the correspondence between counsel for AC and the BBB from November 9, 2005 is attached as Exhibit F. In spite of being told that the information posted by the BBB is confusing and harmful, the BBB has chosen to ignore requests to provide additional information. True and correct copies of an earlier demand letter sent from counsel for AC to counsel for the BBB from November 3, 2005 is attached as Exhibit G.

B. Facts regarding claims of an "unsatisfactory record" with the BBB.

6. "The current BBB website posting states that AC has an "unsatisfactory records with the Bureau due to Failure to discontinue advertising claims." See Exhibit E. This connotation is very negative and has had an adverse impact on the image of AC. These statements are false. AC was never given a demand by BBB to "discontinue advertising claims." During the application process and based upon the BBB's letter, AC modified its website to delete references to trademark or copyright applications. AC has been in the process of obtaining intellectual property for its marketing materials, including the phrase "Millionaire Mindset Conference." However, to please the BBB, AC deleted these references in its website. After AC changed its website, the BBB posting regarding AC did not report these changes and continued to state that the AC website violated the BBB's policies. See Exhibit C. After contacting the BBB on several occasions after the November 1, 2005 submission deadline to discuss why the BBB's website would not remove references to the "unsatisfactory" records, AC was very frustrated that it did not

3 PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

receive any feedback from the BBB as to why it was in violation. See Exhibit D. Counsel for the BBB was also asked to correct these website inaccuracies. A true and correct copy of correspondence between counsel for the BBB and AC dated November 4, 2005 is attached as Exhibit H. Ultimately, AC even removed copyright and trademark symbols on "buttons" that do not appear on the majority of the websites. All other 1/3 references to copyright and trademarked materials were removed prior to this time. The evidence shows that the record of AC with regards to advertising is not unsatisfactory.

AC has no ongoing violations of the BBB's policies and it never received a demand from the

BBB. The notion of having a satisfactory record with an organization is important.

The BBB webposting states that AC has a "unsatisfactory" record even though (1) AC complied with the BBB's standard as soon as the standard was first identified and

(2) a review of the total number of days in which the BBB has rated AC's website reveals that, at a minimum, AC has complied with the standard for several days and has had a web site that is satisfactory for more days than the limited period of time in which the BBB unilaterally labeled the website as unsatisfactory. It is false and misleading to state that AC has an unsatisfactory record when it is compliant. It is also false and misleading to suggest to third parties that AC had an unsatisfactory record "due to its failure to discontinue advertising claims" when it has changed its practices and it does not know of any claims that must discontinue. See Exhibit E. AC has attempted to resolve this matter without Court intervention on numerous occasions. See Exhibit H. Because this information is false and misleading and harmful, AC needs a restraining order to have it removed. Even the hint that AC has an unsatisfactory record with the BBB harms AC. Additionally, it is important to mention that the BBB appears to believe that the

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

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determination of having an unsatisfactory record with the BBB is a unilateral decision that cannot be reviewed. The posting by the BBB appears to be an indelible mark in the BBB's mind. These statements have persisted even though AC has been in compliance with these standards ever since AC received notice of any issues with regards to the BBB's policy on website claims. It is false and misleading to state that a record is unsatisfactory when it has been satisfactory for more days than the number of days whereby BBB alerted AC of any deficiencies. See Exhibit E. False and misleading information regarding my name (Tim Darnell).

7. "AC contacted the BBB with regards to false and misleading information relating to AC and my name (Tim Darnell). The web posting by the BBB indicates that the President of AC was also the President of All-Star Entrepreneur, LLC, a company that is no longer in business. See Exhibit H. This information is not accurate. The BBB has been told on more than one occasion that Claudia Cawley is the last president of All-Star Entrepreneur, LLC and that I resigned in mid 2003. This information was sent to the BBB in writing. See exhibits F and H. Evidently the BBB believes that the information is correct "according to information in Bureau records." Given that the BBB's records should have been updated to include this additional information, the statements on the BBB's website regarding AC are false and misleading. BBB has had ample time to contact Claudia Cawley or me and verify this claim. The BBB appears unwilling to do so without Court intervention.

D. Deletion of the references to copyright and trademark issues

8. "Similar to the issue of the claim of an "unsatisfactory record," the BBB site has a claim that

AC had a website that was in violation of BBB's policies regarding the use of

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

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Soapboxmom

06-08-2007 08:46 PM

Re: Advantage Conferences BS (Merged)

trademarks and copyrights. AC removed all of its references to these and yet the BBB posting insists on stating a prior "violation." See Exhibit H. This is true even though AC has submitted intellectual property protection for phrases such as the "Millionaire Mindset Conference" and AC has used these phrases exclusively for several years. Our competitors try to take advantage of the AC name and AC's names for its conferences to try and get business, just as Defendant Jon Taylor attempted to do by having his website appear first in a Google website search for the name of my company, "Advantage Conferences, LLC." It is harmful for the BBB postings to suggest that AC had wrongfully had the intellectual property claims affiliated with these phrases when the BBB knew that this information was used solely for the BBB. Additionally, there is no public benefit in having the BBB unilaterally suggest wrongful conduct by AC.

E. Deletion to references of a "pyramid" marketing scheme

9. "As everyone knows, allegations that a company is a ponzi scheme or an illegal pyramid scheme are harmful to a business regardless of whether they are substantiated. After I submitted AC's application to join the BBB, the BBB required that AC submit an explanation as to why it is not attempting to conduct an illegal pyramid scheme. See Exhibit A. AC timely submitted a detailed explanation on this issue. See Exhibit B. Even days after this information was submitted to the BBB, the BBB webposting regarding AC stated that "On October 25, 2005, the Bureau contacted the company with evidence that it was primarily promoting a pyramid scheme through its website" and that the BBB was still awaiting a reply that was due on November 1, 2005. See Exhibit C. These postings caused harm to AC and caused AC to lose sales. Even the most recent postings on the BBB site referencing AC refer to the "pyramid." See Exhibit E. My

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

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lawyer and I have made numerous complaints that it is highly inflammatory to suggest that AC is a concocted fraud or pyramid scheme and to leave the allegation of criminal activity on the website. See Exhibits F, G, and H. AC is harmed when a webposting suggests that it is part of a pyramid scheme. These postings harm AC regardless of what the BBB ultimately believes about AC. Additionally, several other companies in the Dallas area with positive reviews from the BBB have used and are currently operating with similar marketing and compensation packages such as International Galleries, Inc., Mary Kay, Inc. BeautiControl Cosmetics, Inc. and Mannatech, Inc. All of this information was shared with the BBB. See Exhibit F."

F. Additional facts justifying the need to restrain Defendant Taylor

10. Upon information and belief, Defendant Jon Taylor learned of Plaintiff's business through the BBB. Defendant Taylor then made his own website that accuses Plaintiff of misconduct. Defendant Taylor is motivated by a desire to have AC's business. Defendant Taylor added AC's name to its website so that a search for AC's business name on Google reveals Taylor's site as one of the top four links. Defendant Taylor evidently uses links on his website to attempt to get internet searchers of "Advantage Conferences" to go to his website after a search and sign up with Taylor's web based or marketing businesses. Defendant Taylor has never been a customer of Plaintiff's and has not made any inquiries in Plaintiff's organization. A true and correct copy of Defendant Taylor's web postings is attached as Exhibit I. The statements contained in this webposting are not true. These statements are misleading and suggest that AC is engaged in a pyramid scheme. AC does not think that there is evidence to check all five of the information boxes as "yes" for the questions submitted on Defendant Taylor's website.

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Defendant Taylor never contacted Plaintiff regarding its information or its compensation structure. Defendant Taylor has been asked to remove his website and has agreed to do so. A true and correct copy of the letters between Plaintiff and Mr. Taylor is attached as Exhibit J to the Affidavit of Tim Darnell. As of the date of the filing of this lawsuit, Defendant Taylor has not removed the website referencing Plaintiff and the false and misleading statements harm Plaintiff.

G. Additional facts relating to the application for the temporary restraining order

11. "The inaccurate and erroneous postings by the BBB have caused and continue to cause AC to suffer irreparable harm in terms of a loss of business, a loss of reputation, and a loss of goodwill. I know that AC has lost over \$ 30,000 in sales because purchasers of the most expensive weekend conferences have been canceled with a direct reference to the BBB posting. AC is clearly not a pyramid scheme and individuals have relied upon the BBB's statements suggesting that AC is conducting a pyramid scheme and the current statements that the BBB is conducting an investigation suggest that AC is involved in criminal activities. AC's business will never be the same and its reputation is continually harmed by the incorrect statements. The same is true with regards to the incorrect statements relating to AC having an "unsatisfactory record" and the references to the copyright issue. AC changed its website to appease the BBB and now it is being punished for removing references to intellectual property that it was obtaining. The "Millionaire Mindset Conference" is the name of our conference and we are the only business using that name. AC had taken steps to secure the intellectual property for the name that it uses well before applying for membership of the BBB. The same is true for

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

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the incorrect statements suggesting that current President of AC was the President of a former company when it went out of business.

12. "The facts support AC's claim for breach of contract. AC applied for membership of the BBB, provided the necessary information and paid the dues. AC supplied the BBB with important, confidential proprietary information and the BBB chose to provide false and misleading information on its website. AC did not consent to this false and misleading information and the BBB has not fulfilled its obligations to report information truthfully, to handle a businesses' reputation with care, or to exercise reasonable care for a prospective member that it is reviewing. In fact, AC has only been harmed since it submitted its application for membership with the BBB.

13. "The facts support AC's cause of action for slander and business disparagement. Defendants said many things that were not true and those statements have harmed AC.

14. "The facts support AC's claim against tortious interference. The BBB was aware of the existence of contractual relationships and prospective contractual relationships between AC and its clients and sales representatives. BBB failed to provide accurate information and chose language that would harm AC's business. The BB's conduct proximately caused AC to suffer damages. Sales have been lost because of the BBB's conduct.

15. "There is no evidence supporting the need for a bond for this restraining order. If this court finds the need for a bond for risk of error, that bond should not exceed \$ 250. The BBB and Mr. Taylor are not harmed by any restraint. I have submitted older inaccurate web postings by both Defendants that have harmed AC in the past. The overall sales of the BBB and Mr. Taylor will not be affected by a restriction on the ability

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT

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of these two Defendants to slander AC. The cost of suspending the websites for both of these Defendants is cumulatively less than \$ 250 and involves only making changes to one computer and submitting that information. Neither Defendant has a great economic interest in continuing to post inaccurate information regarding AC."

Further Affiant sayeth not.

~

Tim Darnell, President of Plaintiff,
Advantage Conferences, LLC

SWORN to and SUBSCRIBED before me, the undersigned notary public, by the,
Tim Darnell, on November 11, 2005.

LAURA PORTER

Notary Public, State of Texas My Commission Expires December 15, 2007

NOTARY PUBLIC, State of Texas

PLAINTIFF'S AFFIDAVIT IN SUPPORT OF DEFAULT JUDGMENT10

Re: Advantage Conferences BS (Merged)

CAUSE NO. 05-11461
ADVANTAGE CONFERENCES, LLC,
PLAINTIFF,

§ 14TH JUDICIAL DISTRICT

BETTER BUSINESS BUREAU 'OF IETR'OP'OLITAN DALLAS, INC. ND JON TAYLOR,
DEFENDANTS.
DALLAS COUNTY, TEXAS

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
MOTION TO EXCLUDE EXPERT TESTIMONY REGARDING PYRAMID SCHEMES

TO THE HONORABLE C'OURT:

Defendant Better Business Bureau of Metropolitan Dallas, Inc. ("BBB") files this Motion
Exclude Expert Testimony against Advantage Conferences, LLC ("AC") as follows:

I.

INTRODUCTION

Pursuant to Texas Rules of Evidences 701, 702, 401, and 402, the BBB requests that the court enter an order excluding all opinion testimony of Timothy Darnell, whether lay or expert, in the issue of pyramid schemes. Mr. Darnell has not been designated by AC as an expert, and AC's designation deadline has long past. Mr. Darnell, however, claims to be an expert on pyramid schemes and opines that AC is not primarily engaged in promoting a pyramid promotional scheme. Mr. Darnell's lay opinion testimony should be excluded under Texas Rule of Civil Evidence 701 because it is based on an incorrect legal definition of what constitutes a pyramid promotional scheme. Mr. Darnell's testimony should also be excluded under Texas rules of Evidence 702 because (1) he is not qualified to give an expert opinion on whether AC is primarily engaged in promoting a pyramid promotional scheme and (2) the foundation for his opinion is unreliable because it is based on an incorrect legal definition of a pyramid scheme.

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC'S
MOTION TO EXCLUDE EXPERT TESTIMONY REGARDING PYRAMID SCHEMES

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For these reasons, the BBB respectfully requests that the Court exclude any opinion testimony Mr. Darnell, whether lay or expert, regarding whether AC is primarily engaged in promoting pyramid promotional scheme.

II.

STANDARD FOR THE ADMISSIBILITY OF LAY OPINION TESTIMONY UNDER TEX. R. EVID. 701

Texas Rule of Civil Evidence 701 governs the admissibility of opinion testimony by a lay witness. Rule 701 provides: "If the witness is not testifying as an expert, the witness' testimony in the form of opinions or inferences is limited to those opinions or inferences which are (a) rationally based on the perception of the witness and (b) helpful to a clear understanding of the witness' testimony or the determination of a fact in issue."

Under Rule 701, lay opinions touching on questions of law are properly excluded. See *Fairrow v. State*, 943 S.W.2d 895, 900 (Tex.Crim.App. 1997) (difference between legal definition of "intent" and common usage of the term justifies exclusion of lay witness' opinion that defendant's accomplice did not intend to kill a victim); *Lum v. State*, 903 S.W.2d 365, 370 ref. App.-Texarkana 1995, pet. refd) (holding that a lay witness' testimony regarding whether the defendant behaved "negligently" was properly excluded when the witness was "not shown to be an expert on negligence or to know the legal standard of definition of negligence"); *Ferguson v. State*, 97 S.W.3d 293, 297 (Tex.App.-Houston [14th Dist.] 2003, pet. refd) (trial court properly sustained objection to question to lay witness regarding his understanding of deferred adjudication probation which asked the lay witness to render an opinion regarding a legal term); WENDORF, SCHLUETER AND BARTON, *Texas Rules of Evidence Manual* § 701.2[2][h], at 751 (7th ed. 2005) ("lay opinions touching on questions of law are normally not admitted").

A litigant, moreover, may not evade the standards set forth in Texas Rule of Evidence 702 by electing not to designate a lay witness as an expert. As a leading treatise on the Texas Rules of Evidence states:

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
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By having a witness classified as a lay witness a litigant may hope to avoid the a Robinson/Daubert/Kelley hearing or having to establish the reliability of the expert's opinion. That overlooks, however, that Rule 701 requires that a lay witness' opinion must be rationally based on her perception. An opinion that fails the reliability test under Rule 702 should also fail the rationality standard in Rule 701.

GOODER, WELLBORN AND SHARLOT, 2 Texas Practice, Guide to the Texas Rules of Evidence §§ 701.3, at 12 (3d ed. 2002) (emphasis added).

III.

STANDARD FOR THE ADMISSIBILITY OF EXPERT TESTIMONY UNDER TEXAS RULE OF EVIDENCE 702

Whether an expert witness is qualified to testify is a preliminary question to be decided by the Court under Texas Rule of Evidence 104. *Gammill v. Jack Williams Chevrolet, Inc.*, 972 S.W.2d

713, 718 (Tex. 1999). The court must apply a two-part test: "(1) the expert must be qualified; and (2) the testimony must be relevant and be based on a reliable foundation." *Helena Chemical Co. v. Wilkins*, 47 S.W.3d 486, 499 (Tex. 2001); *E.I. du Pont de Nemours & Co. v. Robinson*, 923 S.W.2d 549, 556 (Tex. 1995). Once an objection is asserted, the party sponsoring the putative expert witness must demonstrate that the witness "possesses special knowledge as to the very matter on which he proposes to give an opinion." *Broders v. Heise*, 924 S.W.2d 148, 152-53 (Tex. 1996). Stated another way, "those who purport to be experts must] truly have expertise concerning the actual subject about which they are offering an opinion." *Gammill*, 972 S.W.2d at 718. This expertise can be derived from "knowledge, skill, experience, training or education," TEx. R. EVID. 702, but the expertise must be specific to the subject matter of the testimony. *Id.*

The second prong of the analysis is whether the testimony is relevant and reliable. To gauge reliability, the Supreme Court has explained:

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
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Daubert and Rule 702 demand that the district court evaluate the methods, analysis, and principles relied upon in reaching the opinion. The court should ensure that the opinion comports with applicable professional standards outside the courtroom and that it will have a reliable basis in the knowledge and experience of the discipline.

Gammill, 972 S.W.2d at 725-26 (quotations omitted). Consequently, "[i]f an expert relies upon unreliable foundational data, any opinion drawn from that data is likewise unreliable." *Helena Chemical Co.*, 47 S.W.3d at 499; *Merrell Dow Pharmaceuticals, Inc. v. Havner*, 953 S.W.2d 706, 714

IV.

DARNELL'S OPINIONS

Mr. Darnell opines that there are five characteristics of an illegal pyramid scheme: 1) there is no product of genuine substance; 2) there are no refunds; 3) the "opportunities" are always short-lived and shut down within days or months of their inception; 4) also known as Ponzi schemes, "these structures pay those at the top - those at the bottom will not get paid unless they rise to one of the top positions; and 5) individuals purchase a position and cannot participate without that purchase. This is an inescapable win/lose scenario. (Darnell Depo~6:21-187:9; Ex. 66 at 3). According to Mr. Darnell, "all five of these [characteristics] need to be in place pretty much," (Darnell Depo 192:3-12). Mr. Darnell further opines, based on these characteristics, that AC is not primarily engaged in promoting a pyramid scheme. (Darnell Depo)

V.

ARGUMENT

Mr. Darnell's lay opinions regarding whether AC is primarily engaged in promoting a pyramid scheme should be excluded because venue is not based on the legal definition of a pyramid scheme.

Mr. Darnell's opinions fail the helpfulness requirement of Rule 701 because they are

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
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Soapboxmom

06-08-2007 09:49 PM

Re: Advantage Conferences BS (Merged)

based on an improper definition of a pyramid scheme. The proper test for determining what constitutes a pyramid scheme is "the payment by participants of money to the company in return for which they receive (1) the right to sell a product and (2) the right to receive in return for recruiting other participants into the program rewards unrelated to the sale of the product to legitimate users." *Webster v. Omnitrition International*, 79 F.3d 776, 781 (9th Cir. 1996).

The five characteristics Mr. Darnell relies on do not comport with the legally recognized definition. First, even if a business sells a product of genuine substance, its structure may still be considered a pyramid. In *Federal Trade Commission v. Equinox International Corp.*, for example, Equinox marketed products of genuine substance such as water filter, air filters, nutritional supplements, and other health care products. No. CV-S-990969HBR, 1999 WL 1425373, at *2 (D. Nev. Sept. 14, 1999). Nevertheless, the court found Equinox was engaged in a pyramid scheme and enjoined it from further activity. Thus, having a product of "genuine substance" does not preclude a finding that a business is engaged in operating a pyramid scheme. Second, even if a business offers refunds, it can still be found to engage in a pyramid scheme. In the Equinox case, Equinox provided 7.5 million dollars of refunds in a single year, and that did not preclude a finding that it was engaged in operating a pyramid scheme. 1999 WL 1425373, at *4-5. Third, not all pyramid schemes are short lived. In fact, some last for years. For example, in *In re Koscot Interplanetary, Inc.*, 86 F.T.C. 1106 (1975), *aff'd* memo sub nom., *Turner V. F.T.C.*, 580 F.2d 701 (D.C. Cir. 1978), Koscot operated for eight years between 1967 and 1975 before the F.T.C. sought an injunction. The timing of enforcement actions vary and some schemes survive longer than others. The life span of a pyramid scheme is not an element of the legal definition. Finally, while pyramid schemes and "Ponzi" schemes have some similarities, they are not the same. Each has a different legal definition. Unlike pyramid schemes, "[a] Ponzi scheme involves the payment of early investors with funds taken from later investors." See *U.S. v. Munoz*, 408 F.3d 222, 224 (5th Cir. 2005) (citing *United States V. Cook*,

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573 F.2d 281,282 n. 3 (5th Cir. 1978)). As the Fifth Circuit recently reiterated:
"In a Ponzi scheme, a swindler promises a large return for investments made with him. The swindler actually pays the promised return on the initial investments in order to attract additional

investors. The payments are not financed through the success of the underlying venture but are taken from the corpus of the newly attracted investments. The swindler then takes an appropriate time to abscond with the outstanding investments.

J.S. v. Deavours, 219 F.3d 400,402 (5th Cir. 2000) (quoting United States v. Cook, 573 F.2d 281, 282 n. 3 (5th Cir. 1978)). Because Mr. Darnell uses an incorrect definition of a pyramid scheme, his opinions are not helpful in this case.

B. Mr. Darnell is not qualified to opine to whether AC is primarily engaged in promoting a pyramid promotional scheme under Rule 702.

While AC has not designated Mr. Darnell as an expert witness on any issue in this case, Mr. Darnell has declared that he is "an expert [on pyramid schemes], having been a profession [sic] in this industry for years, knowing what has been shut down by state and federal agencies and seeing these forms of businesses on an ongoing basis " (Darnell Depo 186:21-187:2).

Mr. Darnell's "expert" opinion is solely based on his "20 years of experience in marketing and business ownership." (Darnell Depo 186:1-10). Mr. Darnell does not have any formal legal training. (Darnell Depo 186:15-17). Simply put, "20 years of experience in marketing and business ownership" do not qualify him to render an opinion on whether a company satisfies the legal definition of a pyramid scheme.

C. Mr. Darnell's opinion that AC is not primarily engaged in a pyramid promotional scheme fails the reliability requirement of Rule 702.

It is well established that expert testimony must be based on proper legal concepts. See *Louder v. De Leon*, 754 S.W.2d 148,149 (Tex. 1988) (expert testimony on proximate cause must be based on proper legal concepts); *Harvey v. Culpepper*, 801 S.W.2d 596, 600-01 (Tex.App.- Corpus Christi 1990, no writ) (trial court did not err in excluding expert testimony that

DEFENDANT BEITER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC,'S MOTION TO EXCLUDE EXPERT TESTIMONY REGARDING PYRAMID SCHEMES

Page 6

defendant did not act negligently where no showing was made that expert based opinion on proper legal standard); *E-Z Mart Stores, Inc. v. Terry*, 794 S.W.2d 63, 64-65 (Tex.App.- Texarkana 1990, writ denied) (expert testimony that the defendant was negligent was erroneously admitted because the legal definition of negligence was not explained to witness and he did not demonstrate knowledge of its meaning); *Dieter v. Baker Servo Tools*, 776 S.W.2d 781 (Tex.App.-Corpus Christi 1989, writ denied) (expert's conclusions about proximate cause inadmissible because no showing made that she based them on the appropriate legal standard).

As described in section A above, Mr. Darnell is basing his opinion on an improper definition of a pyramid scheme. For that reason, his testimony is unreliable. Further, because his opinion fails the reliability test under Rule 702, it also fails the rationality standard under rule 701. *GOODE, WELLBORN AND SHARLOT*, 2 Texas Practice, Guide to the Texas Rules of Evidence §§ 701.3, at 12 (3d ed. 2002) (emphasis added).

VI.

CONCLUSION

WHEREFORE, the BBB respectfully requests that this Court exclude any and all opinion, testimony, whether lay expert, from Timothy Darnell on the issue of pyramid schemes.

DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
OTION TO EXCLUDE EXPERT TESTIMONY REGARDING PYRAMID SCHEMES

Page 7

Soapboxmom

06-08-2007 10:29 PM

Re: Advantage Conferences BS (Merged)

CAUSE NO. 05-11461
ADVANTAGE CONFERENCES, LLC
PLAINTIFF,

BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC. AND JON TAYLOR,
DEFENDANTS.

§ § § § § § § § § § § §
IN THE DISTRICT COURT
14TH JUDICIAL
DALLAS COUNTY, TEXAS
AFFIDAVIT OF CHRISTOPHER BURGESS
STATE OF TEXAS §
§
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, personally appeared Christopher Burgess, who, upon his oath, testified as follows:

1. "My name is Christopher Burgess. I am over 21 years of age, of sound mind, and otherwise competent to execute this Affidavit. All of the matters stated herein are true and correct and are within my personal knowledge.
2. I am currently vice president and chief operating officer of the Better Business Bureau of Metropolitan Dallas, Inc. ("BBB"). I began my employment with the BBB in August of 1990. I have been the chief operating officer of the BBB for almost five years. Prior to becoming the chief operating officer, I served as vice president of operations for the BBB. I held the position of vice president of operations for about 3 years.
3. As the chief operating officer of the BBB, I am familiar with the BBB's programs and services offered to member businesses and to the public. Some of the BBB's programs and services include publication to the general public of consumer alerts and tips, newsletters, press releases, and reports on business. Attached to this affidavit as Exhibit 1 are true and correct

AFFIDAVIT OF CHRISTOPHER BURGESS - Page 1

copies of examples of consumer alerts issued by the BBB. The BBB's services also include complaint processing, dispute resolution and advertising review.

4. One of the services provided by the BBB is the publication of "company reports." The "company reports" are reports on businesses. The BBB reports on both member and non-member businesses. The company reports contain basic information concerning a company including addresses, phone numbers and assumed names. In addition, a report may contain information on the nature of the company's business, customer experience, the company's advertising and the company's management.

5. The public can access a "company report" on a particular company in the following manner. First, one must log onto the BBB's website at www.dallas.bbb.org. On the home page, a banner is displayed with different topics, including, among others, "File a complaint," "Company Reports," "List of Members," "Get an Estimate," and "Contact Us." If a person is interested in a report on a particular company, the person clicks the cursor on the topic "Company Reports." By doing so, a window will appear with instructions for searching for the subject company. One may input the company phone number or name. In this way, only those persons who are interested in accessing a report on a particular company actually see it. A copy of the BBB's homepage is attached as Exhibit 2.

6. The BBB routinely reviews advertising of the companies which apply for membership in the BBB. If the BBB determines a company's advertising cannot be substantiated, a company may receive an unsatisfactory rating. On or about October 21, 2005, I reviewed the AC website. I also spoke with Mr. Darnell regarding AC's trademark and earnings claims among other things. On or about October 24, 2005, I reviewed AC's "Getting Started E-package" and compensation presentation flash presentation. On October 26, 2005, I sent Mr. Darnell a letter (exhibit 14 to my deposition) asking AC for substantiation of AC's trademark claims, earnings claims and for an explanation of why it was not conducting a pyramid scheme.

AFFIDAVIT OF CHRISTOPHER BURGESS - Page 2

7. I received a response from AC dated November 1, 2005, exhibit 17 to my deposition. In that November 1 letter, AC stated that it had made changes to its website on October 27, 2005. I checked the AC website to determine if the changes had been made. As of November 3, 2005, some of the issues I had discussed with Mr. Darnell were still present. I made a note of this, as reflected on Exhibit 35 to my deposition.

8. On or about November 4, 2005, I checked the AC website again. At that time, the references to trademarks and copyrights I had discussed with Mr. Darnell had been removed. I then updated AC's company report in accordance with the BBB's reporting standards.

9. At no time prior to October 27, 2005, did anyone associated with All-Star Entrepreneurs, LLC provide the BBB with any information that Mr. Darnell was not the president of All-Star Entrepreneurs, LLC.

10. In preparing the company reports for AC, I followed the BBB's standard reporting guidelines. In my position as chief operating officer of the BBB, I was responsible for the content contained in the company reports for AC. Prior to posting the report on October 27, 2005, I reviewed information regarding pyramid promotional schemes found on the web sites of the Texas attorney general and the Federal Trade Commission. The pages I reviewed are attached to my deposition as Exhibits 21 and 22. I interpreted the information I reviewed on AC's website to meet the definition of a pyramid as described by the Texas attorney general and the Federal Trade Commission.

11. At the time the BBB published the reports on AC was published, I believed that all of the statements of fact contained in the reports concerning AC were true. At no time did I entertain any doubt, serious or otherwise, about the truth of the factual matters stated in the AC reports when such statements were made.

12. Prior to publication of the AC company reports, I had not met Mr. Darnell or any of the other representatives of AC. I did not then, nor do I have now, any reason or desire to

AFFIDAVIT OF CHRISTOPHER BURGESS - Page 3

want to injure or hurt AC's reputation or to harm its economic interests. I had, and have, no feelings of hate, spite or ill will toward AC.

14. I did not have, and do not have, any intent or desire to harm or interfere in AC's economic interests. At all relevant times, my purpose was to follow the BBB's policies and procedures in order to fulfill the BBB's function of providing information to consumers so that consumers could exercise their best judgment in making marketplace transactions.

15. In general, the objectives of the BBB are to, among other things, promote and assist in maintaining truth, honesty and accuracy in business selling practices; inform and educate the public on matters of advertising and selling practices; assist in preventing the public from being misled and taken advantage of; foster marketplace self-regulation; and cooperate and assist authorities in matters involving these objectives, if warranted. The BBB receives numerous requests for information, including consumers and other businesses.

16. When the BBB report on AC was published first on October 27, 2005, I was unaware of any specific individuals who were considering joining AC as a representative."

FURTHER AFFIANT SAYETH NOT.

Sworn and subscribed before me this 21 day of August, 2006.
AFFIDAVIT OF CHRISTOPHER BURGESS - Page 4

Re: Advantage Conferences BS (Merged)

TIMOTHY DARNELL

LL-CORPORATE REPRESENT~~-VE 8/10/06

Videotaped Deposition transcript 171 pages of which only 23 are in the court files

A. Actually just me.

Q. What happened to the others?

A. They -- they were just not part of the suit.

They just -- they didn't continue it. They didn't

Q. SO at the time of trial it was just you?

A. It was just me representing myself basically.

Q. All right.

Do you anticipate that you are
going to be the person to testify on behalf of
Advantage Conferences with respect to damages at the
trial of this case?

A. I think I will be to an extent on certain
aspects of the damages, but I think Laura will be
brought to the stand as well and possibly Rosalyn.
They deal with our data and are much more in tune with
it than I am.

Q. All right.

What are your qualifications to
testify regarding damages?

A. Just working the business from a management
and administration standpoint day in and day out.
I'm there every day and can see the fallout.

I can see --

I can see momentum shifts.

I can see

I know what
the sales are.

I know -- you know, I know what my
e-mails are from the field and what -- what the field's
concerns are.

Q. You have a degree in sociology and psychology

A. No -- welll yeah.

Yeah.

Advantage Conferences has.

My business has used it for about six years.

Q. And when you refer to "your business" what are you referring to?

A. I refer to Portfolio Marketing Group is the entity that we worked on when we were reps. where all of the checks would go through.

Q. Does Advantage Conferences -- does QuickBooks

That is allow Advantage Conferences to produce or generate monthly profit and loss statements?

A. Yes.

Q. Have you done that in connection with this case at all looked at books on a monthly profit and loss basis?

A. We'll we have that.

I think we have that information on file here.

Q. It hasn't been produced to me.

A. You don't have that information?

Q. No.

A. We --

Q. Have you looked -- here is my question.

Have you looked at that in connection with any aspect of the damages that we are going to

Q. Does Advantage Conferences have any audited financial statements?

A. I don't think officially that would be called an audited statement.

Our CPA has been involved over

the last several months with our books, but that -- I think from an official standpoint that is not an audited statement.

Q. Who is your CPA?

A. Bob Ward.

Q. Does he have his own office or own practice or is he with a firm?

A. He is with a firm, and they just changed their name.

We just got that notice, and I'm not sure of the name of the firm.

Q. You mentioned that he has been involved with doing something over the last several months. he been doing? What has

A.

He looked at our tax situation.

He helped us start our foundation.

He advised us on several issues, as far as what to do with any excess investment monies, personal tax situations.

Q. Now, I noticed you produced tax returns for 2003 and 2004.

But prior to that, my understanding

A. We have Liberty League, we have Emerald Passport, Coastal Vacations are the closest to our business model.

Q. All right.

Are those the businesses that you are using to compare or to support your damage in this case?

A. Also -- also there would be Mannatech.

Q. Are they in the educational conference business?

A. They are in the nutritional business, but they offer an income opportunity.

Q. Liberty League is an educational conference business?

A. Yes.

Q. And Emerald Passport is in the educational conference business?

A. Yes.

Q. And Coastal Vacations is in the educational conference business?

A. Yes.

And they do also travel.

Their --

theirs is not as close as ours -- as Emerald and Liberty League is.

Q. And Mannatech is in the nutritional supplement business?

A. Correct, an income opportunity, and that's why I bring those in.

Q. Well, all of those are income opportunities.

A. Yes.

Q. All right.

What documents did you look at

~,~

with Liberty League that you are basing your testimony on?

A. I didn't look at any documents.

I have reports of their attendance at conferences.

They had over 20,000 people at a conference just recently.

Q. And what documents of Emerald Passport did you look at or review in support of your testimony?

A. I have no documents on that.

I have just comments from people that know Emerald Passport. We could find those.

Q. What comment from whom are you relying on?

A. Just reps and their business and how their business is going.

And every once in a while I will

get an e-mail from one of their top competitors or one of their top guys.

And he tells me how he is

doing, and I shoot him back a congratulations.

Q. Who is that?

A. I don't have his name right now.

Q. Are these just unsolicited e-mails from a guy?

A. Yes.

Uh-huh.

And I'm not sure why he sent those to me.

I don't know if he wants me to look at

Q. Is the 3 to 5,000 number that you gave us based on a full year of 2006, part year or what, just --

A. I would say --

Q. What is that time period?

A. I would say the full year of 2006 we should have had by the end of 2006 we certainly should have 3 to 5,000.

Did I say shurtanly?

Q. You said certainly.

A. Shurtanly.

Q. Now, on your prospecting statistics, have you relied on -- on any figures provided by your webmaster with regard to prospecting statistics in coming up with your

A. Yes, that would be a -- that would be a strong indicator right there to correlate the web statistics, the 3 Simple Steps statistics with before and after as well.

Q. Now again, you said that -- it would be.

Have you done it?

A. I have not done it.

Q. And did -- do you get any reports on a monthly basis on how that is on those -- on those prospecting figures?

Soapboxmom

06-09-2007 12:49 AM

Re: Advantage Conferences BS (Merged)

(Exhibit No. 105 marked)

Q. Exhibit 105 says at the top TFA/HT Partial Contact List.

What does that mean?

A. That -- if that is the list I think it is, that's from one rep right there. receive that, which

Q. This morning.

A. Okay. That's no -- you got two, correct?

Q. Yeah.

A. Okay.

Q. I will show you this, but what is HT, by the way?
That's not -- you got two, correct?

A. Hidden Treasures.

It's a new product that we
are just now bringing on board, insurance product.

Q. When was that brought on board?

A. We announced it about four months ago and are
just now beginning to sell it in the field.

It's for seniors.

Q. What is it?

A. It's an insurance product for seniors 65 and
above.

Q. What kind of insurance?

A. It's term insurance, life insurance and
seniors don't pay anything for it.

Funding companies

pay the premiums.

And the amount of face value equates

A. We have aps in, though.

We have several aps
already in.

Q. All right.

In Exhibit 109, in the last
paragraph at the bottom of the page it says, TFA works in conjunction with major institutional
funding houses and million dollar transactions.

A. Dh-huh.

Q. 80 far there has been no million dollar
transactions that TFA has worked with --

A. That is correct.

Q. -- correct?

A. That is correct.

We have the applications in.

Q. That is to MMC and Sierra?

A. Dh-huh.

Q. What is the status of those applications?

A. Good.

They are moving forward.

Q. What part of the process is it in?

A. It's in the -- what is called the underwriting phase where they -- they basically make sure that the senior is of good health, sufficient health.

They also double check their assets, because the amount of insurance, the face amount is dependent upon their assets.

The insurance industry uses different ways of assessing assets than normal, say, bankers or mortgage houses, say, use.

Q. Okay.

A. My lawyer receives all that.

Q. All right.

When -- when we are looking at the general ledger and there is the line item entries for commission payments, there is not going to be a line item for commission to Tim Darnell.

A. No.

Q. All right.

Whatever you get from the company is under Partner One?

A. It's a draw --

Q. Draws.

A. -- I think is what she calls it.
Yeah.

Q. All right.

Now, previously a document had been produced that listed -- it was Exhibit 8 that listed the commissions that had been paid to the various pro reps.

For instance, on Exhibit 8 the first one is Aaron Weinzierl, and it shows that he got a commission from the purchase by Jason and Tonya Lemmon. All right. I'm going to show this to you.

A. Okay.

Q. But it also has on page 6 your name, Tim Darnell, and then commissions that would be attributable to you.

A. Okay.

Well, maybe that is in here then.

If that's the case, then she may have gone ahead and included my commissions in this number.

Q. Now, what I want to ask you is, we have in Exhibit 8, it looks like the last entry -- and I understand that this was produced earlier in the case. The last entry that I see is a November 16 commission or November -- maybe there is one from November 17.

A. Uh-huh.

Q. But would there be a document that would -- could be generated from the accounting software that would show what the commissions that were attributable to you up until the current time?

A. Yes. And I can just tell you, I haven't had that may be accurate as of -- as of now, I'm not sure, but we can get that. Yeah.

Q. Okay. Now, since let's say mid November of 2005, have you personally enrolled anybody to your -- to your recollection?

A. A few, yes. Uh-huh.

Q. All right. So you -- those would be commissions that would go to you.

A. Uh-huh.

Q. Right?

A. Yes, it would be if -- I don't know that I have had MMC-IV's.

Q. But you would still get a commission if it was lower, it would just be a less of a commission.

A. I did have a III that came.

A gal Yes, yes. from England.

Q. Your focus now isn't on bringing in reps.

A. Not nearly as much.

I've just got my hands full with administration, management.

Q. Right.

But what I'm -- what I'm interested in is the up-to-date list of the commissions that would be attributable to you.

A. Okay. I understand --

Q. that we can look at the GL and say here is

the draws I have got, but that doesn't tell us what commissions are.

That just tells us this is how much

I'm taking -- Mr. Darnell is taking out of the company, right?

A. Yes.

Q. All right.

Now, while you haven't been

personally sponsoring people because you are dealing with administration, you have got your two -- your two people that -- or more, however many that is, that you would be getting commissions from down line, right?

A. Correct. Uh-huh.

Q. All right. So while you might not be active

in sponsoring, you would still -- there still may be commissions attributable to you.

A. Yes.

Q. All right. And you can produce that information for us.

A. Yes.

Q. All right.

Let me show you Exhibit 112.

(Exhibit No. 112 marked)

Q. This is titled Balance Sheet Previous Year Comparison as of December 31, 2005.

Do you see that?

A. Uh-huh. Yes.

Q. All right.

Explain to me what -- if you would, what retained earnings is.

A. I really don't know.

Q. Okay.

Would -- if you met -- do you know if this information was taken from the general ledger so that retained earnings in the general ledger for December 31, 2004 would be the same as it is here and then same for 2005?

A. I really don't know what that is.

Q. All right.

A. Sorry.

Q. Well, let me go to the next one.

Net income,
do you know what comprises that net income figure?

A. That is -- well, it looks like the

Yes. retained earnings, \$40,000.

Net income would just be
sales.

That would just be total sales, but I'm not

A. Mainly about being a speaker at our
conference.

He is a millionaire, Christian He just discovered Noah's Ark.
millionaire.

Q. Okay.

Did you talk to him about the Hidden Treasures?

A. Yes.

Q. Okay.

What did you talk to him about the
Hidden Treasures?

A. I explained the concept to him, and he said
that he would be willing to turn his clients to
apprise his clients of Hidden Treasures.

Q. Okay.

When was the Hidden Treasures product
developed?

A. It's two years old at this point.

Q. Okay.

What documents do you have on it that
explain what the product is?

A.

We have a PowerPoint.

We have several
several documents that explain the concept.

Q. And you haven't produced those in this
lawsuit, have you?

A. No.

Q. Why not?

A. We are just now at the point of putting that
in place.

Q. Of putting what in place?

A. policy

We don't do those.

We do 2.5 and up.

Q. Oh, okay.

All right.

So the only policies
that are going to be sold are with a -- with a -- what
is the term for that? With a

A. Senior?

Q. No. The value of the policy is 2.5 million and up?

A. Yes. Uh-huh. The face amount.

Q. Face amount?

A. Yeah, 2.5 and up.

Soapboxmom

06-09-2007 12:49 AM

Re: Advantage Conferences BS (Merged)

Q. All right.

And the amount the senior is going
again, that would be individual per contract based on however much insurance they purchase.

A. That is correct.

And it normally ties in specifically and directly with their net worth. But
like I mentioned before, it is very it's a very different methodology of assessment in the
insurance world than it is, say, in mortgages or normal loans.

Q. All right.

So the actual -- let me get the
the structure.

If the senior is going to buy a
policy -- let's say it is you, Tim Darnell, insurance agent, who has a contract with LAEG.

A. Yes.

Q. Is the contract between you and LAEG or
Advantage Conferences and LAEG?

A. It's -- well, the same thing.

I mean, it is

Advantage Conferences, yeah.

Q. All right.

Well, let's say -- you gave me
some other names.

Judy Sterling, does she- have a
contract with LAEG?

A. No. She has a contract with Advantage Conferences.

Q. Okay.

A. So I have the overall contract.

I have got their best contract, and then we go from there with the reps.

Q. Okay.

Is Advantage Conferences an insurance agent?

A. No.

Q. Okay.

Let me see if I have

So -- all right.

got it right.

If someone purchases a 2.5 million

policy, the premium for two years is paid by the funding company.

A. That's correct.

Q. A commission is paid in some amount.

We don't know what that is right now, is paid to LAEG, correct?

A. Correct.

Q. Advantage Conferences gets a portion of that commission.

A. That's correct.

Q. Do we know what portion that is?

A. 70 percent.

Q. 70 percent of LAEG's commission?

A. Correct.

Yeah.

Q. And then the rep -- the Advantage Conferences rep, such as Judy Sterling or whoever, gets how much of the 70 percent that Advantage Conferences receives?

A. They will normally get 70 percent of our 70 percent, so ...

Q. And your damage model is if -- if Advantage Conferences had 100 seniors that were willing and able to purchase this product, those seniors would receive \$100,000, and they can do with that what they want.

A. That's correct.

Q. All right. And so 100 times 100,000 is 10 million--

A. That's correct.

Q. -- is that right?

A. Uh-huh.

Q. Do you have those figures?

A. Yes.

Q. Okay. Can I see that, whatever it is you wrote down?

A.

(Complies.)

Let's mark that as Exhibit 117.

(Exhibit No. 117 marked)

THE WITNESS: That's beautiful.

MR. MYERS:

Very nice.

Q. Is Exhibit 117 your calculation of the damages that Advantage Conferences is claiming with regard to the Hidden Treasures product?

A. That is correct.

Q. All right.

So are we now talking about

Advantage Conferences claiming a total of 25 million in this lawsuit?

A. That's correct.

Q. Okay.

10 million of which is attributable to

Hidden Treasures, 10 million attributable to --

A. TFA.

Q. -- the 3 to 5,000 reps, and 5 million attributable to TFA, correct?

A. That's my understanding, yes.

Q. All right.

Any other components of the

damages that Advantage Conferences is going to ask for in the lawsuit?

A.

That I know of now, not being the expert. I

am the representative for Advantage Conferences, but we have as yet to hire our witness -- our expert in

contracts, what other documents are there related to Hidden Treasures?

A. We have a few explanatory documents.

We have We have audios from training
got notes from trainings. calls.

Q. Other than -- I know you can't think of the

other ones now, but other than Phil Orr and Peggy Allen, has anyone else -- any other senior
been approached with this product outside of a church setting?

A. My father, but he is a minister, so I don't
know if that counts or not.

Q. Well, you don't -- I mean, who do you go to to
get the protocol from him? He can do it if he wants, right?

A. Yeah. That's right. Yeah.

Q. All right. Is he doing it?

A. He is going to apply.

His net worth is speculative at this point.

Q. Any others -- any other seniors that you know
of who have been approached?

A. I could get more names.

If we asked our reps,

I'm sure we could come up with more names.

Q. I mean, this isn't something that has to go
through a church.

to keep paying the premiums

A. Yes.

Q. -- on the senior.

A. Correct.

Q. So let me see if I have got that.

At the end so for the first two years the senior can name
whatever beneficiary he wants.

A. Correct.

Q. And then at the end of two years the senior can keep the policy at his or her own cost and pay the premium themselves.

A. Yes.

Q. And if they don't want to do that, then the finance company, funding house, has the option of continuing the policy by paying the premiums -- continuing to pay the premiums itself because it has already been paying the premiums.

A. You got that right.

That's right.

Q. All right.

A. The perfect fundraiser

MR. MYERS:

All right.

I think that's

all I have right now.

Thank you.

THE WITNESS:

Very good.

Thank you.

FURTHER EXAMINATION

BY MR. CIARACHI:

Q. Okay. Mr. Darnell, to clarify with the issue on the elements of damages.

Going back to the issues of reps, you have your calculation as to how many reps that you think you would have had had there been no

Better Business Bureau posting; is that correct?

A. That's correct.

Q. Okay. Aside from that figure, as we come along various unpleasant surprises in this lawsuit, either reps quitting, individuals asking about the Better Business Bureau, finding other places that refer to the Better Business Bureau site and so on, you do want to be compensated, whether it's a current rep that leaves or someone that was going to purchase an MMC and didn't and so on; is that correct?

A. I would like to receive all damages possible. I---

I definitely want to hire an expert in this area.

I am not that expert in -- in damages assessment.

So, I you know, I want to receive as much money as

possible out of this. I would like to be compensated,
yes.

MR. CIAROCHI:

Pass the witness.

MR. MYERS:

Okay.

Mr. Darnell, are you

prepared to stay the rest of today and go over every individual rep?

Mr. Ciarochi keeps saying you are going to claim that, so let's -- let's do it.

If that's what you --

THE WITNESS:

If that is the advice of my
counsel, then

MR. MYERS:

If that is what you are going
to do, then we have got to do it.

THE WITNESS:

Okay.

Well, I guess we
have to then.

MR. CIAROCHI:

Off the record for a
second.

THE VIDEOGRAPHER: (Recess taken) THE VIDEOGRAPHER:

Off the record, 1:46.

Back on the record at
1:59.

MR. CIAROCHI:

After discussion with my client, it appears that my client desires to also seek individual claims
against the Better Business Bureau of Metropolitan Dallas.

And so at this point I was going to propose that any other deposition on the damages issues,
inasmuch as there are any other depositions for corporate representatives of Advantage
Conferences or Tim Darnell, that they be consolidated to one time sometime in the future after
you have a chance to

review the petition. And that we also after -- if

there are any other individual questions that the Better Business Bureau requires of Mr. Darnell,
that we work together just to make sure that the damages questions will be addressed by him at
that time so as to not have a fifth deposition.

MR. MYERS:

All right. Yeah. I'll agree that -- depending on what you do in terms of~amending, I will agree to recess this deposition --

MR. CIAROCHI: Uh-huh

MR. MYERS:

wait and see what your amended pleadings are, and -- and resume the deposition at a later time. However, I reserve whatever rights I have in terms of times -- you know, hours of deposition, and I'm not waiving any rights that the Better Business Bureau may have with respect to those issues or to object to any amendments, et cetera, et cetera.

I'm agreeing to recess the deposition. I agree, you know, you can take whatever steps you want. I'm not saying procedurally whether that is right, wrong, or whatever. But we can talk about concluding this deposition and whether another deposition, if Mr. Darnell joins the case individually, goes forward.

MR. CIAROCHI:

Okay.

MR. MYERS:

Okay.

THE VIDEOGRAPHER:

Off the record, 2:01.

(Deposition adjourned)

JANIS ROGERS & ASSOCIATES

214/631-2655

DALLAS, TEXAS

TIMOTHY DARNELL-CORPORATE REPRESENTATIVE 8/10/06 171

Mr. David C. Myers Mr. Jason Ciarochi

(3 hours, (0 hours,

50 minutes) 6 minutes)

That pursuant to information given to the deposition officer at the time said testimony was taken, the following includes counsel for all parties of record:

Mr. Jason Ciarochi, attorney for Plaintiff

Mr. David C. Myers, attorney for Defendant Better Business Bureau of Metropolitan Dallas, Inc.

I further certify that I am neither counsel for, related to, nor employed by any of the parties or attorneys in the action in which this proceeding was taken, and further that I am not financially or otherwise interested in the outcome of the action. Further certification requirements pursuant to Rule 203 of TRCP will be certified to after they have occurred.

Certified to by me this 21st day of August, 2006

JANIS ROGERS & ASSOCIATES 1545 West Mockingbird Lane Suite 1032
Dallas, Texas 75235 Tel. No. 214/631-2655

Soapboxmom

06-09-2007 04:16 AM

Re: Advantage Conferences BS (Merged)

ATTORNEYS & COUNSELORS
June 30, 2006

Via Facsimile(214) 853-4658 Mr. Jason Charles Ciarochi Ciarochi and Associates, PLLC One Hickory Centre
1800 Valley View Lane, Suite 130 Dallas, Texas 75234
Re: Cause No. 05-11461; Advantage Conferences, LLC vs. Better Business Bureau of Metropolitan Dallas, et al., In the 14th Judicial District Court of Dallas County, Texas

Dear Jason:

I appreciate Advantage Conferences efforts to supplement its production; however, the supplemental production falls far short of adequate compliance with our document requests and with the agreements you made to produce additional documents. I am enclosing a draft of the Motion to Compel which will we will file today absent agreement that the documents will be produced on a date certain or confirmation in writing that such additional documents do not exist. If you have any questions or are unclear in any way about the documents we are seeking, please let me know by 4:00 p.m. on June 30, 2006 whether these documents will be produced. If I do not hear from you, I will proceed to file the motion.

In addition, Advantage Conferences has not responded to our **Third Request for Production of Documents** nor has it produced all the documents requested. The responses and documents are past due. Advantage Conferences needs to respond and produce the documents requested immediately.

DCM/jkg Enclosure
901 Main Street, Suite 6000
Dallas, Texas 75202
(214) 953-6000
fax (214) 953-5822

Soapboxmom

06-09-2007 04:20 AM

Re: Advantage Conferences BS (Merged)

CAUSE NO. 05-11461
ADVANTAGE CONFERENCES, LLC
PLAINTIFF,

BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC. AND JON TAYLOR ,
DEFENDANTS.

**DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN DALLAS, INC.'S
MOTION TO COMPEL PRODUCTION OF DOCUMENTS**

THE HONORABLE COURT:

Defendant Better Business Bureau of Metropolitan Dallas, Inc. ("BBB") files this Motion to
Impel Production of Documents as follows:

I.

On November 14, 2005, the BBB served its First Request for Production of Documents on
Plaintiff. A true and correct copy of Plaintiffs responses are attached hereto as Exhibit A. Since
receiving the responses on December 14, 2005, counsel for the BBB has attempted to work with
counsel for Plaintiff to obtain Plaintiffs compliance with the request for production without
Court

intervention. On June 30, 2006, counsel for the BBB made another attempt to get Plaintiff to
comply voluntarily to no avail. (Exhibit B). Despite numerous efforts, Plaintiff still has not
produced all of the documents requested.

II.

Specifically, Plaintiff continues to fail and refuse to produce the following documents:

1. Documents related to Alternative Marketing Calls (Responsive to First Request for Production
No. 43, 49, 60)

The BBB requested all documents related to Plaintiff's marketing and training. Plaintiff has
agreed to produce documents but has not produced all such documents.

(Ex. C). The evidence shows Plaintiff holds training calls called Alternative Marketing Calls. (Ex. D). Plaintiff has produced no documents relating to these calls and should be ordered to do so.

2. Documents relating to Recruits of each Representative (Responsive to First Request for Production No. 54)

The BBB has requested Plaintiff produce documents showing the number of persons recruited by each representative. Plaintiff has produced documents for only 45 representatives. (e.g. Ex. E). There is evidence that approximately 500 representatives have been recruited to participate in Plaintiff's income opportunity. Plaintiff should be ordered to produce the documents for every representative recruited by Plaintiff.

3. Documents evidencing average income per representative (Responsive to First Request for Production No. 55,65)

Plaintiff has not produced any documents showing the average earnings per representative. These documents are relevant to the BBB's defenses. It should be ordered to produce the documents.

4. Documents evidencing commissions per representative (Responsive to First Request for Production No. 34, 51)

Plaintiff has produced only a partial list of commissions earned by each representative. (Ex. F). Plaintiff should be ordered to supplement this list to show current information through June 30, 2006.

5. All President's interviews (Responsive to Request for Production No. 26,27,41, 44)

Plaintiff claims all recruits must complete a "President's Interview" during the recruiting process before being accepted as a representative of Plaintiff. The BBB has requested production of these documents. Plaintiff refuses to produce all completed President's Interviews. (Ex. C). These documents are relevant to the BBB's damages analysis as well as its liability defenses. The Court should order Plaintiff to produce the documents.

6. All matrix diagrams (Responsive to Request for Production No. 34,43, 50, 73)

Plaintiff claims all representatives are placed in a position on the "forced matrix." The BBB requested the matrix diagrams for each representative. Plaintiff has agreed to produce these documents (Ex. C) but has produced diagrams for only eight representatives. (e.g. Ex. G). Plaintiff should be ordered to produce the matrix diagrams for all representatives. These documents are relevant to the BBB's defenses.

7. All prospecting statistics for each representative (Responsive to First Request for Production No. 26, 27, 41, 44)

One of Plaintiff's representatives testified that prospecting statistics are available for each representative on the representative resource center and produced such statistics as it relates to him. (Ex. H). Plaintiff has produced an aggregate number (even though "better numbers" are available) but has not produced the statistics for each representative. (Ex. I). These documents are relevant to the BBB's defenses and damages analysis and the Court should order Plaintiff to produce them.

8. Policies and Procedures Manuals (Responsive to First Request for Production Nos. 29,58)

On June 28,2006, Plaintiff belatedly produced a document purportedly containing policies and procedures after months of representing to BBB's counsel that no such document existed. The document produced contains a revision date of June 22, 2006. (Ex. J). Plaintiff has not produced any prior versions of this document. The Court should order Plaintiff to do so.

9. Terminations and Suspensions (Responsive to First Request for Production Nos. 38, 53 and 79)

Plaintiff's documents indicate that each rep made be terminated, sanctioned or suspended and that reps may resign by giving written notice. (Ex. K). Plaintiff should be ordered to produce all such documents evidencing terminations, suspensions and sanctions.

10. Evidence of Sales (Responsive to First Request for Production Nos. 37, 56, 67 and 85).

Plaintiff's documents indicate each rep must submit forms AC51 00 and AC 11 00 to itemize sales made. (Ex. L). Plaintiff has produced no such documents.

11. General Ledger (Responsive to First Request for Production Nos. 16, 18, 25)

Despite producing the general ledger for the period beginning in 2003 through June 26, 2006 (with the exception of 2 missing pages), Plaintiff refuses to produce the general ledger in electronic format. Plaintiff should be ordered to produce the two missing pages and the entire general ledger through June 30, 2006 in electronic form.

12. Tax Returns and Work Papers (Responsive to First Request for Production No. 14, 15,69)

Plaintiff has produced only portions of its tax filings for 2002, 2003 and 2004. In 2002, an "affidavit" was filed with the IRS, but Plaintiff has not produced a signed copy. (Ex. M). For the years 2003 and 2004, Plaintiff produced a return but did not produce Schedule C. These documents are relevant to the BBB's analysis of alleged

damages as well as other issues. Although Plaintiff has agreed to produce the remainder of the 2002 affidavit and the Schedule C, it has not done so. (Ex.

C). Also, Plaintiff has not produced any work papers and should be ordered to do so.

13. All documents evidencing refunds (Responsive to First Request for Production No. 75)

BBB asked Plaintiff to produce all documents relating to refunds requested by representatives. Although, Plaintiff has produced documents evidencing refunds given to certain reps, Plaintiff still has not produced all the documents responsive to this request. The general ledger produced by Plaintiff on June 29, 2006, shows a refund was given to **Justin and Malana Ennis**. (Ex. N). Plaintiff has produced no documents related to that request.

14. Conference attendees (Responsive to First Request for Production Nos. 84-86)

Plaintiff has not produced documents showing the conference attendees at the April, 2005 conference held at the Gaylord resort in Grapevine, Texas.

15. **Third Request for Production**

The BBB served its Third Request for Production by certified mail on May 25, 2006. (Ex. 0). Plaintiff has not responded. The responses are past due. Plaintiff should be ordered to respond and to produce the documents requested.

III.

All of the requested documents are relevant and reasonably calculated to lead to the discovery of admissible evidence. Indeed, Plaintiff has already produced portions of many of the documents but fails and refuses to produce all of the documents requested or complete copies of the documents requested. Moreover, Plaintiff agreed to produce many of the documents but has not.

C). Also, Plaintiff refuses to produce documents in electronic format despite requests to do so.

IV.

In addition, Plaintiff objected to all of the requests (except Nos. 10, 11, 20, 21, 22, 23 and 24) on the ground that production of documents was burdensome and not reasonably calculated to lead discovery of admissible evidence. (Ex. A). The objections are without merit and should be overruled. Plaintiff should be ordered to produce all documents being withheld because of the

objections asserted or to supplement its response all documents have been produced and that no documents are being withheld due to the assertion of the unfounded objections.

v.

REQUEST FOR RELIEF

Defendant respectfully requests that this Motion be set for hearing and that upon hearing, the Court grant this Motion and order Plaintiff to produce the documents requested and to grant defendant reasonable and necessary fees incurred in preparing and presenting this Motion to the court.

WHEREFORE, premises considered, Defendant The Better Business Bureau of Metropolitan Dallas, Inc. respectfully request that this Motion be set for hearing and that upon hearing hereof, the Court grant the relief requested herein as well as such other and further relief to which the Better Business Bureau of Metropolitan Dallas, Inc. may show itself to be entitled.

Respectfully submitted,

JACKSON WALKER L.L.P. 901 Main Street, Suite 6000 Dallas, Texas 75202 Charles Babcock
State Bar No. 01479500 David C. Myers

State Bar No. 14759400

ATTORNEYS FOR DEFENDANT BETTER BUSINESS BUREAU OF METROPOLITAN
DALLAS, INC.

MOTION TO COMPEL PRODUCTION OF DOCUMENTS- Page 5

Wishyouknew

06-09-2007 08:07 PM

Re: Advantage Conferences BS (Merged)

Soapboxmom,

Thank you for all your hard work with this, as well as the money you spent to acquire this deposition and court papers.

This has to be the "salt in the wounds" to Tim losing this lawsuit, to see this public knowledge actually make it to a website like scam.com for all the public to see!

Hopefully this will be the "nail in the casket" for Advantage Conferences..

Hopefully those involved in leadership positions with Cottonwood Creek Church will get a chance to come on here and read the court papers for themselves.

Tim's depositions are funny reading. Its greatness to hear the BBB's lawyers ask him questions that are building their evidence to make Tim Darnell look like a fool.

It is comical to see that Tim Darnell asked for 25 million in damages..

Does he honestly think that he would have been a millionaire if he would not have attempted to join the BBB?

Re: Advantage Conferences BS (Merged)

Wishyouknew,

Tim must have realized how ridiculous that suit was. I think he really hoped it would shut us up. He is constantly threateneing reps and scambusters with suits. His suit has so many laughable aspects. Tim is offended because the BBB called him on his dishonest advertising. The only thing trademarked or copyrighted was the Reverse Margin tm and the rest he hadn't even applied for, but the numerous things he said were so protected sounded so good until the BBB pointed out it was all lies and misrepresentaions.

Look at his list of 10 and then check the earnings he submitted. The BBB asked for folks who made the advertised \$7000 Over and Over and Over Again--- **\$21,000**

1.

Jack Weinzierl
3101 Beaver Creek Drive Flower Mound, TX 75022
(817) 205-9513
1 Bazillion

2.

Jim Wald
Cocoa, FL
Half a Bazillion

3.

Don Goldstein
Valrico, FL
\$79,250

4.

Carrie Rasel
Boca Raton, FL
\$38,000

5.

James McHugh
Cleveland, OH
\$20,584.50

6.

Tina Sturlaugson
Everett, WA

\$32,500

7.

David Parnell

Boise, ID

\$22,854.50

8.

Gregg Poffenbarger

Allen, TX

\$8000 (including purchase by wife LOL)

9.

Ashraf Shalaby

Old Bridge, NJ

\$8000

10.

Aaron Weinzierl

Clinton Township, MI

\$7000

Remember Jack put \$18,000 on his Visa to cover his 10 grand conference ticket purchase and business expenses such as advertising. Add in attendance cost and let's say each rep spends 20 grand to start a business. That means 7 reps out of 500 broke even or profited and the rest lost money. Beyond pathetic!

Soapboxmom

Soapboxmom

06-10-2007 12:16 AM

Re: Advantage Conferences BS (Merged)

<http://www.everydayissaturday.com/>

Sam Crowley, with the support of Tim, Jack and all his scamming friends, is now a motivational speaker. Let's make sure he doesn't get hired to indoctrinate any more poor souls into joining this life sucking scam. Funny how liars, cheats and cons stick together isn't it?

Soapboxmom

Wishyouknew

06-10-2007 01:00 AM

Re: Advantage Conferences BS (Merged)

[quote=Soapboxmom](Exhibit No. 105 marked)

A. Mainly about being a speaker at our conference.

He is a millionaire, Christian He just discovered Noah's Ark. millionaire.

Q. Okay.

Did you talk to him about the Hidden Treasures?

A. Yes.

Q. Okay.

What did you talk to him about the Hidden Treasures?

A. I explained the concept to him, and he said that he would be willing to turn his clients to apprise his clients of Hidden Treasures.

QUOTE]

I am guessing this is in reference to Arch Bonemma and Arch's support for Tim Darnell and the Hidden Treasures product. I wonder if this is true? I can't imagine Mr. Bonemma being willing to sell this to his clients.

BIGfranky75

06-10-2007 04:40 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **Soapboxmom**

Wishyouknew,

Tim must have realized how ridiculous that suit was. I think he really hoped it would shut us up. He is constantly threateneing reps and scambusters with suits. His suit has so many laughable aspects. Tim is offended because the BBB called him on his dishonest advertising. The only thing trademarked or copyrighted was the Reverse Margin tm and the rest he hadn't even applied for, but the numerous things he said were so protected sounded so good until the BBB pointed out it was all lies and misrepresentaions.

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\$20,584.50

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Aaron Weinzierl

Clinton Township, MI

\$7000

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Soapboxmom

wow.... what a joke!

i like how Poffenbarger had to purchase a \$10,000 conference for his wife (as well as for himself)...\$20,000 in total (not including marketing, travel and other business expenses) to make \$7,000!!!! what a sad state of affairs.... if that is the kind of financial advice that these conferences are offering.... no thanks! with mentors like that, i think you have better odds of getting rich with a trip to vegas! (and we all know that no one hits it big in vegas).... so sad.

i also got a kick out of timmy's deposition when he said that the "Company's" (AC) financials are kept using quickbooks! ha ha ha....nice! what a sophisticated operation using \$34 software to keep its financials in order!!! :D when i worked in business banking underwriting, when we got an application for credit from a company using quickbooks, we pretty much denied it immediately.

spanky

06-10-2007 05:50 AM

Re: Advantage Conferences BS (Merged)

Any update on the Conference that was suppose to be held last night?

txfan

06-10-2007 09:21 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **spanky**

Any update on the Conference that was suppose to be held last night?

I think it is actually next weekend.

Re: Advantage Conferences BS (Merged)

I'm still busy reading up on this thread. It's huge. Plus I'm getting up to speed on other thread and sites. But I could not help but see an amazing screw up by AC if the conference is next weekend. Does anyone see the irony in the fact that this conference, that is supposed to be educating Christian business people to alter their mindset and become millionaires (over night I assume, or at least over the weekend) is being held over the FATHERS DAY WEEKEND!!!!

Lets assume that the majority of attendees are guys. presumably they can take their wives. If I'm correct the conference ends in a service on Sunday morning.

Hello McFly!!!! Where are the kids in all this?? Shouldn't we as Christians be focusing in on our families this coming weekend and not business. If I'm a prospect for AC and they tell me that for my \$10,000 I get to spend the weekend away from my kids and on Fathers Day weekend and especially Sunday morning in stead of them bringing me breakfast in bed of some of the weirdest (I say this out of love of course) but best breakfasts I ever had....

Right there I'm going to realize that business is more important to AC than family and I'm going to say "Thanks but no thanks! You guys have the wrong priorities. Forget whether or not this is a scam folks. The fact that they are holding the conferecne over the fathers Day Weekend says it all for me. As a christian there are priorities for me to follow:

GOD

FAMILY

WORK

In that order and that is beyond dispute. If the organizers of this conference were truly of a Christian mindset Fathers day would be on of the last weekends they should have considered for holding the conference.

Meanwhile back to my study of this intriguing company and it's founders.

Have a blessed day!!

rayman1950

06-11-2007 02:56 AM

Re: Advantage Conferences BS (Merged)

After doing my research, I'm not to sure about what kind of money you can make & how fast. But I have found one that is great The Company I am speaking of, that actually offer a turnkey

business opportunity marketing an amazing line of on-line educational products in Personal Development and Financial Literacy. They provide world-class training held via conference calls every day and a very lucrative compensation plan! You earn a minimum of \$1000 per transaction!

I would recommend this home business opportunity to ANYONE! Check it out at

www.TheIdealHomeBusiness.biz

TooLate4Me

06-11-2007 03:00 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **Scamlock Holmes**

I'm still busy reading up on this thread. It's huge. Plus I'm getting up to speed on other thread and sites. But I could not help but see an amazing screw up by AC if the conference is next weekend. Does anyone see the irony in the fact that this conference, that is supposed to be educating Christian business people to alter their mindset and become millionaires (over night I assume, or at least over the weekend) is being held over the FATHERS DAY WEEKEND!!!!

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Meanwhile back to my study of this intriguing company and it's founders.

Have a blessed day!!

SH,

Excellent point. You are correct regarding the order of Christian priorities. Wonder why AC didn't take that into account? Answer: Because their priorities are mixed up...they put WORK/MONEY first, not GOD. People are known by THE FRUITS OF THEIR LABOR and THEIR ACTIONS. They spout off all day long about God, religion, etc. all they want, but at the end of the day it's ONLY about MONEY with AC. Period.

rayman1950

06-11-2007 03:47 AM

Re: Advantage Conferences BS (Merged)

After doing my research, I'm not to sure about what kind of money you can make & how fast. But I have found one that is great The Company I am speaking of, that actually offer a turnkey business opportunity marketing an amazing line of on-line educational products in Personal Development and Financial Literacy. They provide world-class training held via conference calls every day and a very lucrative compensation plan! You earn a minimum of \$1000 per transaction!

I would recommend this home business opportunity to ANYONE! Check it out at

www.TheIdealHomeBusiness.biz

Wishyouknew

06-11-2007 08:21 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **rayman1950**

After doing my research, I'm not to sure about what kind of money you can make & how fast. But I have found one that is great The Company I am speaking of, that actually offer a turnkey business opportunity marketing an amazing line of on-line educational products in Personal Development and Financial Literacy. They provide world-class training held via conference calls every day and a very lucrative compensation plan! You earn a minimum of \$1000 per transaction!

I would recommend this home business opportunity to ANYONE! Check it out at

www.TheIdealHomeBusiness.biz

rayman,
please stop spamming the Scam.com boards. We don't want to participate in your business opp.

Wishyouknew

06-13-2007 11:11 PM

Re: Advantage Conferences BS (Merged)

I knew that Tim Darnell does not have the guts to come on here to scam.com and debate us..
Hard to argue againts the court documents, huh Tim?

How is the giving magazine going? Tim, I just proud that you have found something that is not a Pyrimide Scheme and can attempt to earn money in an honest fashion. That being said, I would you will be shutting down Advantage Confernces very soon.

I have not looked into your Giving Magazine business yet. But, I am sure there is something dishonest and deceptive about it.

It amazes me how people never learn that Cheaters never win!

TooLate4Me

06-14-2007 05:00 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **Wishyouknew**

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I have not looked into your Giving Magazine business yet. But, I am sure there is something dishonest and deceptive about it.

It amazes me how people never learn that Cheaters never win!

WYK,

I don't know if you live in Big D or not, but if you do, have you seen Givers magazine in stores? Just curious. I'm eager to see if this is a "real" magazine, as opposed to the "fluffy" kind found in

7-11's for free. Does anybody have a hard copy?

wishIknew

06-14-2007 06:59 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **TooLate4Me**
WYK,

I don't know if you live in Big D or not, but if you do, have you seen Givers magazine in stores? Just curious. I'm eager to see if this is a "real" magazine, as opposed to the "fluffy" kind found in 7-11's for free. Does anybody have a hard copy?

<http://www.giversmagazine.com/>

wishIknew

06-14-2007 07:00 AM

Re: Advantage Conferences BS (Merged)

<http://www.giversmagazine.com/>
wik

Wishyouknew

06-14-2007 07:00 AM

Re: Advantage Conferences BS (Merged)

Toolate4me,

I do live in the DFW area, and no I have not yet had the pleasure of seeing and reading a copy of givers magazine yet.

I can't imagine anyone paying for a subscription.

wishIknew

06-14-2007 07:01 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **TooLate4Me**

WYK,

I don't know if you live in Big D or not, but if you do, have you seen Givers magazine in stores? Just curious. I'm eager to see if this is a "real" magazine, as opposed to the "fluffy" kind found in 7-11's for free. Does anybody have a hard copy?

<http://www.giversmagazine.com/>

wik

Wishyouknew

06-14-2007 07:04 AM

Re: Advantage Conferences BS (Merged)

Quote:

Originally Posted by **wishIknew**

<http://www.giversmagazine.com/>

wik

I noticed there is nothing regarding the distrubution or the amount in print..

As a advertiser would'nt you want to know this info?

TooLate4Me

06-15-2007 08:11 AM

Re: Advantage Conferences BS (Merged)

thanks for the replies guys!

IwantAnswers

06-18-2007 09:55 AM

Re: Advantage Conferences BS (Merged)

This and the other two thread have been a great read while I've been laid up with a broken leg for the last few weeks. I met a guy who was an ac rep who was slammin all the corporate big wigs and the AC company. Effing this and Effing that!! WoW!! Such a passionate curse filled castigation of an MLM. I had to check it out for myself.

The funny thing is my conclusions to all these thread led me to two thoughts about AC, JW and TD:

1. The leaders are utter morons **OR**
2. They actually believe in what they are doing.

If they are the scam artists all you people say they are and the guys who should be locked up and the jail thrown away let alone the key.....

.....Why on God's green earth would they be so open about where they live!!!!

So the obvious answer is (now they may be fooling themselves , I have no idea) they actually believe in what they are trying to accomplish. If that goal is the furtherance of God's kingdom and apparantly it is. Then, while I may disagree with their business model and could easliy show them where they could tweak it, improve their bottom line and rep to sales ratio, they are, or will be, in the clear!!

If however, they have no non-rep sales, they are in deep water after two years on the road!! Looking at the websites it looks like they have a few products on there aside from the conference. My guess is they found what they thought to be a good and profitable venture that would enhance the game of Christian businessmen and in stead its biting them in the butt.

Suing the BBB was probably the dumbest idea TD came up with. It probably added to his woes. If there are no non-rep sales after two years then its a pyramid. However if it was designed that way, there is no way anyone with the brains of magma would **broadcast where they live** for crying out loud.

Reading his website he is obviously intelligent. If he has a leadership position at his church the guy must have something going for him. Also if he can persuade the likes of Norm Miller to speak at his conference then he's no moron.

Conclusion:

They believe in what they are doing. To those who have lost money, my condolences. However, if the calibre of the speakers is Norm Miller, he's worth \$10,000 on his own!

As was told me the other day by a very sharp individual, when all said and done whatever you do, whatever you sell, whatever your station in life, everything boils down to the 'transfer of information'. If Darnell and Weinzierl feel the market will buoy up \$10,000 for their conferences then more power to them.

However, I charge them that they had better make sure that the conference is worth \$10,000 standing on its own merit and **NOT** as a simply a business opportunity for other people to sell their conferences. That aint' cosher!!

So whats the answer??

Wishyouknew

06-18-2007 10:13 AM

Re: Advantage Conferences BS (Merged)

Iwantanswers,

Care to give us the name of the Ac Rep you met?

Phinnly Slash Buster

06-18-2007 09:47 PM

Re: Advantage Conferences BS (Merged)

IwantAnswers.

"Though I know that the hypnotized never lie
Do ya?"
The Who

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