

<p>DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202</p> <hr/> <p>STATE OF COLORADO, ex rel. JOHN W. SUTHERS, ATTORNEY GENERAL</p> <p>Plaintiff,</p> <p>v.</p> <p>CONSOLIDATED MEDICAL SERVICES, LLC and JOSEPH BENEDETTO, individually</p> <p>Defendants.</p>	<p>EFILED Document CO Denver County District Court 2nd JD Filing Date: Mar 5 2012 3:35PM MST Filing ID: 42880361 Review Clerk: Kyle T Gustafson</p> <p>▲ COURT USE ONLY ▲</p>
<p>JOHN W. SUTHERS, Attorney General MARK T. BAILEY, 36861* Assistant Attorney General JAY B. SIMONSON, 24077* First Assistant Attorney General 1525 Sherman Street, 7th Floor Denver, CO 80203 Telephone: (303) 866-5079 FAX: (303) 866-4916 *Counsel of Record</p>	<p>Case No.</p>
<p>COMPLAINT</p>	

INTRODUCTION

1. This is an action brought by the State of Colorado pursuant to the Colorado Consumer Protection Act, §§ 6-1-101 *et. seq.*, C.R.S. (2012) (“CCPA”), to enjoin and restrain Defendants from engaging in certain unlawful deceptive trade practices, for statutorily mandated civil penalties, for disgorgement, restitution, and other relief as provided in the CCPA.

2. Defendants have misled thousands of people to invest money in Defendants’ internet-based “affiliate marketing program.” Defendants recruited individuals to assist with the marketing of medical benefits programs that Defendants claim are a valid substitute for traditional health insurance. Defendants enticed these individuals – whom Defendants called their “Affiliates” – to pay Defendants hundreds and often thousands of dollars for marketing products and services, all the while knowing that the Affiliates had almost no chance of making

money. Defendants also made false and misleading statements about the coverage provided by the medical benefits programs they marketed.

PARTIES

3. John W. Suthers is the duly appointed Attorney General of the State of Colorado and is authorized under C.R.S. § 6-1-103 to enforce the provisions of the CCPA.

4. Defendant Consolidated Medical Services, LLC (“CMS”) is a Colorado Limited Liability Company organized on April 7, 2008, with a principal place of business at 9090 South Ridgeline Blvd., Suite 155, Highlands Ranch, Colorado.

5. Defendant Joseph Benedetto is the founder and owner of CMS. Benedetto developed and implemented the CMS Affiliate program described herein and was aware that few, if any, consumers are actually successful using the company’s program despite the representations made by Defendants. At all relevant times, Benedetto conceived of, directed, participated in, and controlled the deceptive trade practices by CMS.

ACTS OF AGENTS

6. Whenever reference is made in this Complaint to any act or practice of Defendants, such allegation shall be deemed to mean that the principals, owners, employees, independent contractors, agents, and representatives of such Defendants performed, directed, or authorized such act or practice on behalf of said Defendants, while actively engaged in the scope of their duties.

JURISDICTION AND VENUE

7. Pursuant to C.R.S. §§ 6-1-103 and 6-1-110, this Court has jurisdiction to enter appropriate orders prior to and following an ultimate determination of liability.

8. The violations alleged herein occurred, in part, in Denver County. Therefore, venue is proper in Denver County, Colorado, pursuant to C.R.S. § 6-1-103 and Colo. R. Civ. P. 98 (2012).

RELEVANT TIMES

9. The conduct that gives rise to the claims for relief contained in this Complaint began occurring from the company’s inception, in 2008, and continues today. This action is timely brought pursuant to C.R.S. § 6-1-115 in that it is brought within three years of the date on which false, misleading, and deceptive acts or practices occurred and/or were discovered, and the series of false, misleading, and deceptive acts are continuing.

PUBLIC INTEREST

10. Through the unlawful practices of their business or occupation, Defendants have deceived, misled, and financially injured consumers in Colorado and throughout the nation. Therefore, these legal proceedings are in the public interest and are necessary to safeguard citizens from Defendants' unlawful business activities.

GENERAL ALLEGATIONS

I. Background on Defendants' Business

11. Defendants market "medical benefits programs" on behalf of third-party vendors. Consumers who purchase these medical benefits programs pay a monthly fee in exchange for promised "benefits," usually in the form of discounts or partial payment for medical products and services (*i.e.*, doctor's visits). For every consumer that Defendants bring to the vendors of the medical benefits programs, Defendants are entitled to a commission from the consumer's enrollment fee and monthly payments.

12. From 2008 through at least summer 2011, Defendants solicited and recruited "Affiliates," purportedly to assist Defendants with the marketing of the medical benefits programs. Under Defendants' stock agreement with its Affiliates, Affiliates pay a monthly fee to Defendants and advertise the medical benefits programs on behalf of Defendants. Under the agreement, Affiliates are entitled to a percentage of Defendants' commission for every paying consumer that the Affiliate refers to Defendants.

13. In August 2011, Defendants stated to the Attorney General that no new Affiliates were being recruited for their program. However, Defendants are currently collecting monthly fees from hundreds of previously recruited Affiliates. Further, as of the date of this filing, at least two web sites continue to advertise Defendants' affiliate marketing program.

14. Through summer 2010, Defendants had 12-14 employees who were dedicated, full-time, to recruiting Affiliates for Defendants. In summer 2010, Defendant Benedetto informed his employees that they would have to form their own corporations and become "independent marketing companies" in order to continue recruiting Affiliates for Defendants. Through summer 2011, at least one such "independent marketing company" continued to solicit Affiliates on behalf of and in concert with Defendants. While Defendants call these companies "independent," Defendants participated in, profited from, and exercised control over their solicitation efforts.

15. Defendants recruited Affiliates over the internet and telephone. Defendants told potential Affiliates that Defendants would build and maintain a website to assist the Affiliates in their marketing of the medical benefits programs. Defendants also promised that their telemarketers would handle the sales of the programs; the Affiliates simply needed to make referrals. Defendants also promised to provide advice and assistance in the course of the Affiliates' marketing efforts.

16. To sign up for Defendants' affiliate program, Defendants charged a "Web Activation" fee that ranged from \$35 to \$345. Defendants also charged (and, for their current Affiliates, continue to charge) a monthly "Maintenance and Hosting" fee of \$29.95.

17. After an Affiliate signed up with Defendants, Defendants would contact the Affiliate to convince him or her to purchase additional marketing products and services. These products and services cost up to \$10,000 or more. Defendants referred to this second step as "reloading" on the Affiliate.

18. The marketing offered by Defendants included internet-based "leads," i.e., people who had expressed interest in health care coverage on the internet. For a fee paid by the Affiliate, Defendants represented that they would find "leads" for the Affiliate, contact the "leads," attempt to sell them the medical benefits program, and give the Affiliate credit for any successful sales. Defendants also offered "email blasts," radio advertisements, and search engine optimization services, which were to be provided by Defendants and others.

19. Defendants' financial records show that their revenues from sales to Affiliates are far higher than their commissions for sales of the medical benefits programs.

20. As of July 2011, more than 12,800 Affiliates had been recruited by or on behalf of Defendants.

II. Almost All of Defendants' Affiliates Lose the Money They Invest With Defendants

21. According to Defendants' records, as of July 2011, of the over 12,800 Affiliates who were recruited into Defendants' program, only 382, or approximately 3%, had earned any commissions.

22. Further, according to Defendants' records, as of July 2011, the vast majority of Affiliates who earned commissions paid out more money than they earned. Thus, the number of Affiliates who earned more than they paid out is far lower than 3%. Defendants' records are incomplete, in that they do not account for all payments made by Affiliates, including Defendants' \$29.95 monthly "hosting and maintenance" fees and other advertising payments made by the Affiliates. Once the total amount of Affiliate payments is known, the percentage of Affiliates who made any profit from Defendants' program will likely be lower than 1%.

III. Defendants Induced Affiliates Through False and Misleading Statements

23. Even though they knew that Affiliates were almost certain to lose the money they invested with Defendants, Defendants led Affiliates to believe that continued payments to Defendants would allow the Affiliate to recoup his or her investment and make thousands of dollars with minimal effort.

24. Defendants' website, which is still available for public viewing as of the date of this filing, purports to inform potential Affiliates of an "incredible opportunity" to "earn additional income each month," to become their "own boss," and to "[s]top living paycheck to paycheck." Specifically, the website states:

Stop dreaming of being your own boss. Stop living paycheck to paycheck. How would you like to earn additional income each month. It's never been easier to own your own home based business. Regardless of what you do now-doctor, lawyer, nurse, construction, truck driver, waitress, WHATEVER---you can take advantage of this incredible opportunity. Now is the time for you to make a decision and step into the direction of controlling your life, with one of the most incredible opportunities available today, that allows you to offer a service that millions across America need, while earning a substantial income.

Exhibit A.

25. Defendants' website also represents that Defendants will "work directly with [the Affiliate's] customers, handling over 95% of the work." **Exhibit A.**

26. Defendants placed telemarketing calls to Affiliates. Defendants' telemarketers routinely assured Affiliates that they would recoup their investment and make substantial profits. Defendants represented that Affiliates should expect to make thousands of dollars per month.

27. If the Affiliate agreed to sign up, Defendants would send the Affiliate a "welcome package." This "welcome package" contained multiple misrepresentations that were designed to convince the Affiliate to keep paying his or her monthly fees and to purchase hundreds and often thousands of dollars worth of additional advertising products and services.

28. The "welcome package" contained a single-page document containing the "Compensation Structure" and "Example of Projected Earnings" for the Affiliate. A copy of this document (hereinafter the "Projected Earnings document") is attached hereto as **Exhibit B.** The Projected Earnings document projects commission payments Defendants will make to Affiliates for sales of the medical benefits programs. The Projected Earnings document also projects payments to Affiliates who convince other people to sign up as Affiliates. *Id.*

29. The Projected Earnings document vastly overstates the Affiliate's earning potential. The "projected earnings" listed for the Affiliate's "first month" are listed as "\$3,619.80," with "future residual earnings of \$689.80 per month." **Exhibit B.**

30. In large, bold type, this document also projects "Total Earnings (Year 1)" of:

\$89,564.40
plus \$8,277.60 residual check EVERY MONTH!!!!

Exhibit B.

31. The document contains an image of a check written out to the Affiliate in the amount of \$8,277.60. **Exhibit B.**

32. In reality, no Affiliate ever made anywhere close to \$89,000 in one year. According to Defendants' records, as of July 2011, 97% of Defendants' Affiliates earned no commissions. The most any Affiliate ever made in one year was \$8,085.42, less than one-tenth of the "Projected Earnings" advertised by Defendants. And this Affiliate paid Defendants over \$15,000 for advertising services, ultimately paying Defendants more than he earned.

33. The "welcome packet" also contained a letter that stated, in part, "Remember lean on our expertise in this business as we've established many proven systems that really work."

Exhibit C.

34. Defendants have never disclosed the true success rates of their Affiliates, nor have they disclosed the fact that almost all Affiliates lose the money they invest with Defendants. Indeed, even though Defendants knew that Affiliates were almost certain not to make any money, Defendants continued to lead Affiliates to believe that by following their advice and using their advertising products and services, making money would be relatively simple.

35. Affiliates who purchased internet leads from Defendants (see ¶ 18, above) often received a "guarantee" from Defendants that they would recoup their investment. The guarantee stated:

Real Time Leads Guarantee: Within twenty four (24) months you will receive a minimum 150% return on your investment. In the event we fail to reach a 150% return, CMS will pay you the difference, while maintaining your account. You will retain all ownership of your earnings.

Exhibit D.

36. This guarantee does not disclose what portion of Affiliates' payments constitutes their "investment," does not list any limitations on the guarantee, and does not explain how Defendants will perform. Defendants have failed to honor this guarantee with some Affiliates and have only partially honored it with others.

37. Defendants' web site states that Defendants will provide the Affiliate with his or her "very own Website" to market the medical benefits programs. **Exhibit A.** In reality, Affiliates receive identical web pages located at the domain, "ivegotcoverage.com." The only distinguishable characteristic of any given Affiliate's web page is a unique affiliate-identification

number located at the bottom of the web page. (The web address that appears on the address bar of the web page also reflects the Affiliate's affiliate-identification number. For example, one Affiliate's web page reflects the URL, www.ivegotcoverage.com/9996842.) All other visual features on the web page are identical to other Affiliates' web pages.

38. On information and belief, each Affiliate's "very own Website" can be constructed by making minor modifications to the same template web page that is provided to all Affiliates. These modifications can be made with a few keystrokes. Similarly, on information and belief, all Affiliates' identical "web sites" are located on the same computer server and require little if any maintenance or hosting costs. Thus, Defendants' actual costs are a miniscule fraction of the \$35-\$345 "Web Activation" fee and \$29.95 monthly "hosting and maintenance" fee they charge Affiliates.

39. Affiliates can pay an additional fee in order to obtain unique domain names for their websites. However, these domain names do not direct consumers to a unique Affiliate website; rather, they direct consumers to the generic ivegotcoverage.com web page. Additionally, some Affiliates never received the unique domain name they paid for.

IV. Defendants Misrepresented the Nature of the Medical Benefits Programs

40. Defendants' telemarketers have misrepresented the coverage offered by the medical benefits programs, both to Affiliates and to consumers of the programs.

41. Defendants employed telemarketers to market the medical benefits programs. Defendants also handled customer service for these programs.

42. The medical benefits programs marketed by Defendants include Real Benefits Association, National Association of Business Leadership, and United States Contractors Trust. These programs regularly failed to pay consumers' claims, and they have been the subject of cease and desist orders from insurance regulators in at least ten States, including one cease and desist order from Kansas that specifically named Defendant Benedetto.

43. Defendants' "customer service" employees had no ability to take any steps to address consumer complaints. The most they could do was to report the issues to the medical benefits programs, which regularly ignored the complaints.

44. When consumers of these programs called Defendants about the failure to pay claims, Defendants instructed their customer service employees to inform the consumer that the "claims system [was] down." Defendants gave this excuse to complaining consumers for months at a time. On information and belief, this excuse was false and Defendants knew or should have known it was false.

45. Even though they knew that claims were not being paid, Defendants continued to market these programs and represent that claims would be paid.

46. Defendants also made false statements about the nature and scope of coverage of the programs they marketed. An example of such misrepresentations is found in a document that Defendants provided to Affiliates for use in marketing the programs. This document lists certain “Preventive Benefits” that the programs offer. One of these benefits is, “Physicians Office – Max # of Visits per year.” The benefit listed is “\$20 Co-pay.” However, the benefit provided is not a “co-pay,” as that term is commonly understood – *i.e.*, the patient has to pay \$20, and the remainder is covered. Instead, in Defendants’ programs, the \$20 co-pay is what the *program* pays, and the patient is responsible for the remainder of the bill.

47. Defendants’ false characterization of the medical benefits programs has adversely impacted the consumers who purchased the programs, who were often stuck with expensive medical bills and no coverage or far less coverage than they expected.

48. At the same time, the medical benefits programs’ poor quality has contributed to the extremely low success rate of Defendants’ Affiliates. The Affiliates’ “projected earnings,” *see Exhibit B*, are based on the assumption that consumers will make regular monthly payments to stay enrolled in the programs. As Defendants know from their customer-service role, consumers frequently cancel their membership in the medical benefits program after learning the true nature and extent of the “coverage.” This fact gave Defendants further reason to know that their income projections for Affiliates were false and misleading.

V. Statement of Damages Under Civil Access Pilot Project Rule 2.2

49. Civil Access Pilot Project (“CAPP”) Rule 2.2 requires pleading of all “known monetary damages.” The full extent of monetary harm to consumers is unknown at this time. However, based on documents produced by Defendants during Plaintiff’s investigation, Plaintiff is able to make a partial estimate of the amount of consumer harm, as set forth below.

50. Defendants’ two primary sources of income were and are 1) payments from Affiliates, and 2) commissions from their sales of medical benefits programs. From 2008-2010, Affiliates paid Defendants a total of at least **\$3,022,254.86**. From 2008-2010, Defendants grossed a total of at least **\$850,625.25** in commissions for their medical benefits programs.

51. Plaintiff does not have the information necessary to estimate consumer harm in 2011 and 2012. Without relinquishing its right to increase its calculation based on further evidence, Plaintiff alleges that Defendants have defrauded consumers out of a minimum of **\$3,872,880.11**.

FIRST CLAIM

(Knowingly makes a false representation as to the characteristics, ingredients, uses, benefits, alterations, or quantities of goods, food, services, or property or a false representation as to the sponsorship, approval, status, affiliation, or connection of a person therewith under § 6-1-105(1)(e), C.R.S. (2012))

52. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 51 of this Complaint.

53. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have knowingly made false representations as to the characteristics, uses, and benefits of goods or services in violation of § 6-1-105(1)(e), C.R.S. (2012), including but not limited to:

- making false statements about the likelihood of making money for the Affiliates who purchase Defendants' products and services;
- falsely representing that they were providing an "incredible opportunity" to "earn additional income each month," to become their "own boss," and to "[s]top living paycheck to paycheck";
- falsely representing that Affiliates would or could earn thousands of dollars per month by marketing medical benefits programs and recruiting new Affiliates;
- falsely representing that "we've established many proven systems that really work";
- falsely representing that they will provide Affiliates "your very own website";
- falsely representing that they will "work directly with [the Affiliate's] customers, handling over 95% of the work";

54. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from consumers from Colorado and throughout the nation.

SECOND CLAIM

(Knowingly makes a false representation as to the characteristics, ingredients, uses, benefits, alterations, or quantities of goods, food, services, or property or a false representation as to the sponsorship, approval, status, affiliation, or connection of a person therewith under § 6-1-105(1)(e), C.R.S. (2012))

55. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 51 of this Complaint.

56. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have knowingly made false representations as to the characteristics, uses, and benefits of the medical benefits programs it marketed, in of § 6-1-105(1)(e), C.R.S. (2012), including but not limited to:

- falsely characterizing the nature and extent of coverage offered by the medical benefits programs;
- representing that claims would be paid when they knew that claims were not being paid.

57. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from consumers from Colorado and throughout the nation.

THIRD CLAIM

(Representing goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, when knew or should have known that they are of another under § 6-1-105(1)(g), C.R.S. (2012))

58. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 51 of this Complaint.

59. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have represented that their goods and services are of a particular standard, quality, or grade, when they knew or should have known that they are of another in violation of C.R.S. § 6-1-105(1)(g). Defendants have done so in a number of ways, including through the conduct described in ¶¶ 53 and 56, above.

60. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from consumers from Colorado and throughout the nation.

FOURTH CLAIM

(Representing that goods or services are guaranteed without clearly and conspicuously disclosing the nature and extent of the guarantee, any material conditions or limitations in the guarantee, or the manner in which the guarantor will perform and using a misleading guarantee under § 6-1-105(1)(r), C.R.S. (2012))

61. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 51 of this Complaint.

62. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have represented that some of their goods or services are guaranteed without clearly and conspicuously disclosing the nature and extent of the guarantee, material conditions or limitations in the guarantee, or the manner in which the guarantor will perform, and have used a guarantee that has the capacity and tendency to mislead purchasers or prospective purchasers into believing that goods or services so guaranteed have a greater degree of serviceability, durability, or performance capability in actual use than is true in fact, in violation

of § 6-1-105(1)(r), C.R.S. (2012).

63. Defendants have done so by guaranteeing Affiliates who purchase “leads” from Defendants that “[w]ithin twenty four (24) months you will receive a minimum 150% return on your investment” and by failing to clearly and conspicuously make the disclosures required by § 6-1-105(1)(r).

64. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from consumers from Colorado and throughout the nation.

FIFTH CLAIM

(Failing to disclose material information concerning goods, services, or property which information was known at the time of an advertisement or sale if such failure to disclose such information was intended to induce the consumer to enter into a transaction under § 6-1-105(1)(u), C.R.S. (2012))

65. Plaintiff incorporates herein by reference all of the allegations contained in Paragraphs 1 through 51 of this Complaint.

66. Through the above-described conduct in the course of their business, occupation or vocation, Defendants have failed to disclose material information concerning goods or services which was known at the time of an advertisement or sale and this failure to disclose information was intended to induce consumers to enter into transactions in violation of § 6-1-105(1)(u), C.R.S. (2012), including but not limited to:

- failing to disclose the true likelihood that Defendants’ products and services would permit Affiliates to recoup their investment and earn money;
- failing to disclose the true success rate of their Affiliates;
- failing to disclose the true nature and extent of coverage of the medical benefits programs they marketed.

67. By means of the above-described unlawful deceptive trade practices, Defendants have deceived, misled, and unlawfully acquired money from consumers from Colorado and throughout the nation.

RELIEF REQUESTED

WHEREFORE, Plaintiff prays for judgment against Defendants and the following relief:

A. An order declaring Defendants’ above-described conduct to be in violation of the Colorado Consumer Protection Act, § 6-1-105 (1)(e), (g), (r), and (u), C.R.S. (2012).

B. An order permanently enjoining Defendants, their officers, directors, successors, assigns, agents, employees, and anyone in active concert or participation with Defendants with notice of such injunctive orders, from engaging in any deceptive trade practices as defined in and proscribed by the CCPA and as set forth in this Complaint.

C. Appropriate orders necessary to prevent Defendants' continued or future deceptive trade practices.

D. A judgment in an amount to be determined at trial for restitution, disgorgement, or other equitable relief pursuant to § 6-1-110(1), C.R.S. (2012).

E. An order requiring Defendants to forfeit and pay to the General Fund of the State of Colorado, civil penalties in an amount not to exceed \$2000 per violation pursuant to § 6-1-112(1), C.R.S. (2012), or \$10,000 per violation pursuant to § 6-1-112(3), C.R.S. (2012).

F. An order requiring Defendants to pay the costs and expenses of this action incurred by the Attorney General, including, but not limited to, Plaintiff's attorney fees, pursuant to § 6-1-113(4), C.R.S. (2012).

G. Any such further orders as the Court may deem just and proper to effectuate the purposes of the CCPA.

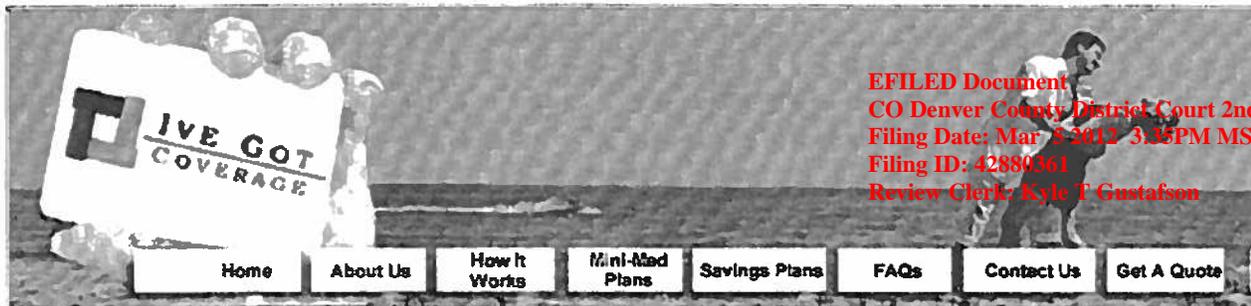
Dated this 5th day of March, 2012.

JOHN W. SUTHERS
Attorney General

Mark T. Bailey
MARK T. BAILEY, 36861*
Assistant Attorney General
JAY B. SIMONSON, 24077*
First Assistant Attorney General
Consumer Protection Section
Attorneys for Plaintiff

*Counsel of Record

Pursuant to C.R.C.P. 121, § 1-26(9), the original of this document with original signatures is maintained in the offices of the Colorado Attorney General, 1525 Sherman Street, Fifth Floor, Denver, CO 80203, and will be made available for inspection by other parties or the Court upon request.



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- Set you up with your very own website.
- Maintain your site.
- Provide you with full support tools and coaching.
- Work directly with your customers, handling over 95% of the work.

The bottom line is, we need you to help build our business. Call now or fill out the online form to learn more about this incredible opportunity, no license required.

First Name

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Call Now: 1-888-312-3439 code 9995404



Consolidated Medical Services, Inc.

9090 S Ridgeline Blvd. Suite 155 Highlands Ranch, CO 80129 (P) 303-346-8182 (F) 303-346-8613
Toll Free 1-888-312-3439

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Compensation Structure for Gene Deering

New Affiliate Sign Up: (20%) Up to \$198.00 per Affiliate based on full price enrollment
-\$5.00 per month for as long as Affiliate is Active Member

New Member Sign Up: \$50.00
-10% per month for as long as Member is Active
*** Average monthly membership fee is \$319.95

Example of Projected Earnings - Month 1

New Affiliates Enrolled - 10 (\$1,980.00) + \$5.00 per month per affiliate
New Members Enrolled - 20 (\$1,000.00) + \$31.99 per month per member

Based on these figures, projected earnings for the first month would be \$3,619.80
Future residual earnings would be \$689.80 per month.

Example of Projected Earnings - 1 Year

New Affiliates Enrolled - 120 (\$23,760.00)
New Members Enrolled - 240 (\$12,000.00)

Earnings from New Enrollments - \$35,760
Residual Earnings - \$8,277.60 per month

Total Earnings (Year 1) based on above averages:

\$89,564.40

plus \$8,277.60 residual check EVERY MONTH!!!!

Consolidated Medical Services, LLC 9090 S Ridgeline Blvd Suite 155 Highlands Ranch, CO 80129	20-01/101 BRANCH 20000	1234 Date: Oct 15th, 2006
Pay to the order of: <u>Gene Deering</u>		\$ 8,277.60
<u>Eight Thousand Two Hundred Seventy Seven and 60/100</u>		DOLLARS
☉THE BANK Highlands Ranch, CO		<i>Consolidated Medical</i>
MEMO: September Residual Earnings		
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Consolidated Medical Services

9080 S Ridgeline Blvd. Suite 166 Highlands Ranch, CO 80129 (P) 303-346-8162 (F) 303-346-8513
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Dear «FIRSTNAME» «LASTNAME»,

Welcome to IveGotCoverage.com, a specialty program brought to you by Consolidated Medical Services, LLC. We hope you enjoy the wealth of opportunity that has been thrust upon you. You are at the beginning of a journey that we hope will take you exactly where you want to go.

As you get started, take note of the immense market that is available to you. Right now, there are over 40 million people in the United States that either don't qualify for or simply cannot afford traditional health insurance, and that number is on the rise due to stricter guidelines and the rising costs of health care. And through your affiliation with us, you can now offer a guaranteed issue health insurance plan backed by an A Rated company. Guaranteed issue! That means that not even the highest risk people can be turned down.

So «FIRSTNAME», you are offering people something they need, and even giving them a way to save money through our doctor, dentist, chiropractor and pharmacy network. Who wouldn't want to hear about this?

Take a moment to review the materials we've sent you, and be sure to sign and return the order confirmation included. Once you've done that, go to your website by typing www.ivegotcoverage.com/«USERNAME». Browse through the site to familiarize yourself with the products and services you offer, then click on the "Login" link on your home page.

This link allows you to access all your site information. Enter your Login ID, which is «USERNAME» and your password, which is «PASSWORD». Here you'll be able to download marketing materials, view your site statistics, change your personal information on file and of course track your clients and commissions.

Got down any questions that you come up with as you're going through the information and the website, then call our office and let one of our team members get you off and running as quickly as possible. Remember lean on our expertise in this business as we've established many proven systems that really work.

We look forward to working with you.

The Consolidated Medical Services Team

CMS 04456

COMPLAINT EXHIBIT C



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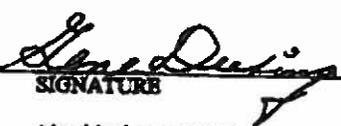
Gene Deering
 111 Colorado Drive
 Decatur, IL 62526
 99910493

DATE	PRODUCT CODE	DESCRIPTION	COST
03-25-10			
TOTAL			\$5,000.00 (partial payment)

Payment Type: Visa
 Account Number: 4/8/00-1/1/3/2-2/9/5/6-5/7/39 EXP: 07/12 CVV: 7/3/9

Real Time Leads Guarantee: Within twenty four (24) months you will receive a minimum 150% return on your investment. In the event we fail to reach a 150% return, CMS will pay you the difference, while maintaining your account. You will retain all ownership of your earning.

I certify that the above information is accurate as shown. I agree to the stated terms and I have authorized charges above to my account indicated above. I have read and understand the terms of this agreement and I am aware that the above stated advertising products are the only advertising products being provided by Consolidated Medical Services, LLC on my behalf. I understand that I may, in accordance with my Affiliate Agreement, utilize my own advertising sources to complement the services provided above. Consolidated Medical Services, LLC makes no specific claims as to the response rate of any of its web based advertising tools other than as provided in writing above.


 SIGNATURE

03-30-10
 DATE

Advertising is non refundable. Any controversy or claim arising out of or relating to this Agreement, the inducement or the breach thereof, shall be settled by binding arbitration in Douglas County, Colorado in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

All claims and disputes, other than those required to be the subject of arbitration hereunder, arising directly or indirectly from this Agreement, shall be resolved in the federal or state courts situated in Douglas County, Colorado. No other court shall have jurisdiction over such matters and venue shall not be appropriate in any other location.