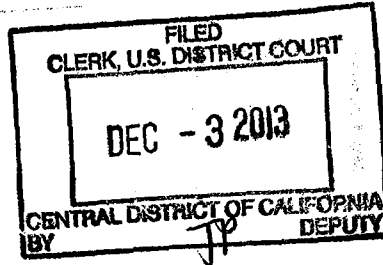


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 14 Federal Trade Commission

15 *NO FOR*  
 16 *FILE*  
 17 *11521*  
**UNITED STATES DISTRICT COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**

18 FEDERAL TRADE COMMISSION,

19 Plaintiff,

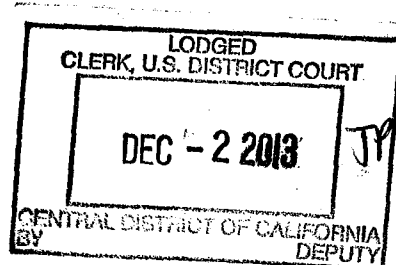
20 v.

21  
 22 CREAM GROUP, INC., also d/b/a  
 Terra Nova, TNT, Inc., and CRM, Inc.,  
 23 a California Corporation;

24 SAMI CHARCHIAN, also d/b/a Oro  
 Marketing, Inc., Modo, Modo Industry,  
 25 Oro Max, Casa de Oro, Casa de Moda,  
 Oro Mundo, and Nation/Modo,  
 26 individually and as an owner or director  
 of Cream Group, Inc.;

*CV 13-8843 JFW (PLA\*)*

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



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FILED  
CLERK, U.S. DISTRICT COURT  
DEC - 3 2013  
CENTRAL DISTRICT OF CALIFORNIA  
BY JF DEPUTY

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13 Attorneys for Plaintiff  
14 Federal Trade Commission

15 no fee due

16 UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

17 I/s  
21

18 FEDERAL TRADE COMMISSION,

19 Plaintiff,

20 v.

21 CREAM GROUP, INC., also d/b/a  
22 Terra Nova, TNT, Inc., and CRM, Inc.,  
23 a California Corporation;

24 SAMI CHARCHIAN, also d/b/a Oro  
25 Marketing, Inc., Modo, Modo Industry,  
26 Oro Max, Casa de Oro, Casa de Moda,  
27 Oro Mundo, and Nation/Modo,  
28 individually and as an owner or director  
of Cream Group, Inc.;

CV 13-8843 JFW(PLA\*)  
Case No.

COMPLAINT FOR PERMANENT  
INJUNCTION AND OTHER  
EQUITABLE RELIEF

LODGED  
CLERK, U.S. DISTRICT COURT  
DEC - 2 2013  
CENTRAL DISTRICT OF CALIFORNIA  
BY JF DEPUTY

1 JOHN CHARCHIAN, a/k/a Djahangir  
2 Charchian and Jahangir John Charchian,  
3 also d/b/a Oro Marketing, Inc., Modo,  
4 Modo Industry, Oro Max, Casa de Oro,  
5 Casa de Moda, Oro Mundo, and  
6 Nation/Modo, individually and as an  
7 owner or director of Cream Group, Inc.;  
8 and

9 NORMA RAE RAMOS, individually  
10 and as officer and director of Cream  
11 Group, Inc.,

12 Defendants.

13 Plaintiff, the Federal Trade Commission ("FTC"), for its Complaint  
14 alleges:

15 1. The FTC brings this action under Sections 13(b) and 19 of the  
16 Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the  
17 Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing  
18 Act"), 15 U.S.C. §§ 6101-6108, to obtain temporary, preliminary, and permanent  
19 injunctive relief, rescission or reformation of contracts, restitution, the refund of  
20 monies paid, disgorgement of ill-gotten monies, and other equitable relief for  
21 Defendants' acts or practices in violation of Section 5(a) of the FTC Act, 15  
22 U.S.C. § 45(a), and in violation of the FTC's Telemarketing Sales Rule ("TSR"),  
23 16 C.F.R. Part 310.

### 24 JURISDICTION AND VENUE

25 2. This Court has subject matter jurisdiction pursuant to 28 U.S.C.  
26 §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a), 53(b), 57b, 6102(c), and  
27 6105(b).

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

1 **PLAINTIFF**

2 4. The FTC is an independent agency of the United States Government  
3 created by statute. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the  
4 FTC Act, 15 U.S.C. § 45(a), which prohibits unfair and deceptive acts or practices  
5 in or affecting commerce. The FTC also enforces the Telemarketing Act, 15  
6 U.S.C. §§ 6101-6108. Pursuant to the Telemarketing Act, the FTC promulgated  
7 and enforces the TSR, 16 C.F.R. Part 310, which prohibits deceptive and abusive  
8 telemarketing acts or practices.

9 5. The FTC is authorized to initiate federal district court proceedings,  
10 by its own attorneys, to enjoin violations of the FTC Act and the TSR, and to  
11 secure such equitable relief as may be appropriate in each case, including  
12 rescission or reformation of contracts, restitution, the refund of monies paid, and  
13 the disgorgement of ill-gotten monies. 15 U.S.C. §§ 53(b), 56(a)(2)(A)-(B), 57b,  
14 6102(c), and 6105(b).

15 **DEFENDANTS**

16 6. Defendant CREAM GROUP, INC. ("Cream Group"), also doing  
17 business as Terra Nova, TNT, Inc., and CRM, Inc., is a California corporation  
18 with its office and principal place of business at 14037 Vanowen St., Van Nuys,  
19 California 91405. Cream Group transacts or has transacted business in this  
20 district and throughout the United States.

21 7. Defendant SAMI CHARCHIAN, also doing business as Oro  
22 Marketing, Inc., Modo, Oro Max, Casa de Oro, Casa de Moda, Oro Mundo, and  
23 Nation/Modo, owns, directs, or otherwise controls Cream Group. At all times  
24 material to this Complaint, acting alone or in concert with others, Defendant Sami  
25 Charchian has formulated, directed, controlled, had the authority to control, or  
26 participated in the acts and practices set forth in this Complaint, including the acts  
27 and practices of Cream Group. Defendant Sami Charchian is or has been a  
28

1 signatory on bank accounts in the names of Cream Group and Oro Marketing,  
2 Inc., into which consumer funds have been deposited, and has initiated or  
3 authorized payments or transfers from these accounts to persons or entities in  
4 apparent furtherance of the acts or practices set forth in this Complaint. He has  
5 also arranged for the telephone and courier services used in connection with  
6 Defendants' business in apparent furtherance of the acts or practices set forth in  
7 this Complaint. Defendant Sami Charchian resides or has resided in this district  
8 and, in connection with the matters alleged herein, transacts or has transacted  
9 business in this district and throughout the United States.

10 8. Defendant JOHN CHARCHIAN, a/k/a Djahangir Charchian and  
11 Jahangir John Charchian, also doing business as Oro Marketing, Inc., Modo, Oro  
12 Max, Casa de Oro, Casa de Moda, Oro Mundo, and Nation/Modo, owns, directs,  
13 or otherwise controls Cream Group. At all times material to this Complaint,  
14 acting alone or in concert with others, Defendant John Charchian has formulated,  
15 directed, controlled, had the authority to control, or participated in the acts and  
16 practices set forth in this Complaint, including the acts and practices of Cream  
17 Group. He has initiated or authorized payments or transfers from bank accounts  
18 in the name of Cream Group and Oro Marketing, Inc., into which consumer funds  
19 have been deposited, to persons or entities in apparent furtherance of the acts or  
20 practices set forth in this Complaint. He is one of the owners of Defendants'  
21 business premises at 14037 Vanowen St., Van Nuys, California 91405.  
22 Defendant John Charchian resides or has resided in this district and, in connection  
23 with the matters alleged herein, transacts or has transacted business in this district  
24 and throughout the United States.

25 9. Defendant NORMA RAE RAMOS is the president, chief executive  
26 officer, secretary, chief financial officer, director, and registered agent for Cream  
27 Group. At all times material to this Complaint, acting alone or in concert with  
28

1 others, Defendant Norma Rae Ramos has formulated, directed, controlled, had the  
2 authority to control, or participated in the acts and practices of Cream Group,  
3 including the acts and practices set forth in this Complaint. Defendant Norma  
4 Rae Ramos is or has been a signatory on bank accounts in the name of Cream  
5 Group into which consumer funds have been deposited and from which payments  
6 have been initiated or authorized to persons or entities in apparent furtherance of  
7 the acts or practices set forth in this Complaint. Defendant Norma Rae Ramos  
8 resides or has resided in the state of California and, in connection with the matters  
9 alleged herein, transacts or has transacted business in this district and throughout  
10 the United States.

11 **COMMERCE**

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

15 **DEFENDANTS’ BUSINESS PRACTICES**

16 11. Defendants telemarket the opportunity to buy what they claim is  
17 popular brand-name merchandise at wholesale prices. Defendants primarily  
18 target Hispanic women across the United States for their unsolicited  
19 telemarketing sales calls and employ telemarketers who conduct the calls in  
20 Spanish. Promising brand-name merchandise that consumers can resell for a  
21 profit in their communities and to friends and family, Defendants’ telemarketers  
22 convince consumers to pay between \$400 and \$490 for a cash-on-delivery  
23 (“COD”) shipment. Instead of the promised goods, Defendants send cheap, poor-  
24 quality merchandise. If consumers call to complain, Defendants’ representatives  
25 tell them that the company made a mistake and will send another shipment  
26 containing the promised brand-name merchandise, along with a refund check for  
27 the first shipment, if the consumer pays between \$400 and \$490 for the next COD  
28

1 shipment. Consumers who pay for additional COD shipments receive only more  
2 shoddy merchandise and no refunds. Defendants' representatives often threaten  
3 consumers who refuse to accept and pay for additional shipments with phony  
4 lawsuits, fines, garnishment, and damage to their credit history. In some  
5 instances, Defendants' representatives also threaten consumers with arrest or  
6 referral to immigration authorities.

7 12. Since 2009, Defendants Sami Charchian and John Charchian have  
8 used various d/b/as, including Oro Marketing, Inc., Modo, Oro Max, Casa de Oro,  
9 Casa de Moda, Oro Mundo, and Nation/Modo, to deceptively market and sell  
10 their merchandise to consumers. After Defendant Cream Group was incorporated  
11 in 2011, Defendants began using different d/b/as, including Terra Nova, TNT,  
12 Inc., and CRM, Inc., to deceptively market and sell their merchandise to  
13 consumers.

14 13. Defendants' telemarketers typically first contact consumers by cold  
15 calling them at home and offering them the chance to purchase a variety of  
16 merchandise—often clothing, lingerie, purses, and perfumes—at deeply discounted  
17 prices. Defendants' telemarketers tell consumers that the merchandise is from  
18 popular and well-known brands, including Abercrombie & Fitch, Aeropostale,  
19 American Eagle, Armani, Banana Republic, Bebe, Bulgari, Carolina Herrera,  
20 Chanel, Coach, Diesel, Dolce & Gabbana, GAP, Gucci, Guess, Hollister, Hugo  
21 Boss, Lacoste, Levi Strauss, Luis Vuitton, Obsession, Prada, Ralph Lauren,  
22 Tommy Hilfiger, Victoria's Secret, and YSL. Defendants' telemarketers claim  
23 that consumers can purchase a shipment of such merchandise at a reduced  
24 “wholesale” or discount price, and typically quote a price between \$400 and  
25 \$490. Defendants' telemarketers claim that consumers can use the merchandise  
26 themselves or resell it for a profit in their communities and to their friends and  
27 family.

1 14. Once consumers agree to order a shipment of merchandise,  
2 Defendants' telemarketers tell them that the merchandise will be shipped, COD,  
3 by United Parcel Service ("UPS") or Federal Express ("FedEx"). Defendants'  
4 telemarketers instruct consumers to give the delivery driver a money order as  
5 payment when the shipment is delivered. Defendants place labels on each  
6 package that instruct the delivery driver not to allow the consumer to open the  
7 package until after she has paid the driver with her money order. For example,  
8 Defendants' labels often state "ATTENTION: UPS DRIVER...PLEASE DO  
9 NOT LET RECIPIENT OPEN BOX WITHOUT GETTING MONEY ORDER  
10 FIRST."

11 15. After consumers pay the delivery drivers with their money orders  
12 and open Defendants' packages, they discover that Defendants have not sent the  
13 promised, brand-name merchandise, but generic-brand or unlabeled products of  
14 poor quality. In many cases, the merchandise consumers receive is of an entirely  
15 different type than the merchandise the consumer ordered. Some consumers have  
16 described the merchandise they receive as "junk."

17 16. When consumers call the company to report that they have not  
18 received the promised merchandise, Defendants' representatives typically say that  
19 the wrong merchandise was sent by mistake. Defendants' representatives claim  
20 that the company will send another COD package containing the correct  
21 merchandise along with a check refunding the entire cost of the first shipment.  
22 Defendants' representatives tell consumers to give a second money order,  
23 typically for between \$400 and \$490, to the delivery driver when the second  
24 shipment arrives.

25 17. Relying on Defendants' promises, some consumers agree and pay for  
26 another COD shipment. Upon paying for and receiving the second shipment,  
27 however, consumers discover that, once again, Defendants have sent only poor-



1 quality and generic-brand or unlabeled merchandise and have failed to include a  
2 refund check as promised. Defendants deceive some consumers into paying even  
3 more money by continuing to make refund promises and instructing consumers to  
4 make additional payments, typically for between \$400 and \$490. As before,  
5 Defendants' subsequent shipments to these consumers contain only more poor-  
6 quality and generic-brand or unlabeled merchandise and do not contain refund  
7 checks.

8 18. In many instances, Defendants' representatives threaten or intimidate  
9 consumers who refuse to accept and pay for additional shipments. Defendants'  
10 representatives often tell these consumers that the company has filed or will file  
11 lawsuits against them and provide a fake date and location for the hearing.  
12 Defendants' representatives further tell consumers that they are required to appear  
13 at a courthouse with two government-issued IDs, that they may be charged  
14 thousands of dollars in fines and have their wages, bank accounts, or tax refunds  
15 garnished if they do not appear for the hearing, and that their credit history will be  
16 damaged if they refuse to pay more money. In some instances, Defendants'  
17 representatives have threatened consumers with arrest or referral to immigration  
18 authorities.

19 19. Defendants typically do not refund consumers' money. Consumers  
20 who persist in attempting to obtain refunds from Defendants are ignored or told  
21 they must first return the merchandise shipped in error using return labels that  
22 Defendants will send only after consumers pay an additional amount of between  
23 \$400 and \$490.

24 **VIOLATIONS OF THE FTC ACT**

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

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

3 **COUNT I**

4 **Deceptive Representations in the Sale of Merchandise**

5 22. In numerous instances in connection with the advertising, marketing,  
6 promotion, offering for sale, or sale of merchandise to consumers, Defendants  
7 have represented, directly or indirectly, expressly or by implication, that  
8 consumers who purchase merchandise from Defendants will receive well-known,  
9 brand-name merchandise at low or wholesale prices.

10 23. In truth and in fact, in numerous instances in which Defendants have  
11 made the representations set forth in Paragraph 22 of this Complaint, consumers  
12 who purchase merchandise from Defendants do not receive well-known, brand-  
13 name merchandise at low or wholesale prices.

14 24. Therefore, Defendants' representations as set forth in Paragraph 22  
15 of this Complaint are false and misleading and constitute deceptive acts or  
16 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

17 **COUNT II**

18 **Deceptive Representations Regarding Refunds**

19 25. In numerous instances, in connection with the advertising,  
20 marketing, promotion, offering for sale, or sale of merchandise to consumers,  
21 Defendants have represented, directly or indirectly, expressly or by implication,  
22 that consumers who pay for and accept receipt of additional shipments from  
23 Defendants will receive the well-known, brand-name merchandise consumers  
24 ordered, along with a refund of the amount they paid to Defendants.

25 26. In truth and fact, in numerous instances in which Defendants have  
26 made the representations set forth in Paragraph 25 of this Complaint, consumers  
27 who pay for and accept receipt of additional shipments from Defendants received  
28

1 neither the well-known, brand-name merchandise they ordered nor a refund of the  
2 amount they paid Defendants.

3 27. Therefore, Defendants' representations as set forth in Paragraph 25  
4 of this Complaint are false and misleading and constitute deceptive acts or  
5 practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

6 **THE TELEMARKETING SALES RULE**

7 28. Congress directed the FTC to prescribe rules prohibiting abusive and  
8 deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15  
9 U.S.C. §§ 6101-6108, in 1994. The FTC adopted the original Telemarketing  
10 Sales Rule in 1995, extensively amended it in 2003, and amended certain sections  
11 thereafter. 16 C.F.R. Part 310.

12 29. Defendants are "seller[s]" and/or "telemarketer[s]" engaged in  
13 "telemarketing," and Defendants have initiated, or have caused telemarketers to  
14 initiate, "outbound telephone call[s]" to consumers to induce the purchase of  
15 goods or services, as those terms are defined in the TSR, 16 C.F.R. § 310.2(v),  
16 (aa), (cc), and (dd).

17 30. The TSR prohibits sellers and telemarketers from misrepresenting,  
18 directly or by implication, in the sale of goods or services, any material aspect of  
19 the performance, efficacy, nature, or central characteristics of the goods or  
20 services that are the subject of a sales offer. 16 C.F.R. § 310.3(a)(2)(iii).

21 31. The TSR prohibits sellers and telemarketers from misrepresenting,  
22 directly or by implication, in the sale of goods or services, any material aspect of  
23 the nature or terms of the seller's refund, cancellation, exchange, or repurchase  
24 policies. 16 C.F.R. § 310.3(a)(2)(iv).

25 32. The TSR prohibits sellers and telemarketers from failing to disclose  
26 truthfully, in a clear and conspicuous manner, before a customer consents to pay  
27 for goods or services offered, if the seller has a policy of not making refunds or  
28

1 cancellations, a statement informing the customer that this is the seller's policy.  
2 16 C.F.R. § 310.3(a)(1)(iii).

3 33. The TSR prohibits sellers and telemarketers from making a false or  
4 misleading statement to induce any person to pay for goods or services. 16  
5 C.F.R. § 310.3(a)(4).

6 34. It is an abusive telemarketing act or practice, and a violation of the  
7 TSR, for any seller or telemarketer to engage in the use of threats or intimidation.  
8 16 C.F.R. § 310.4(a)(1).

9 35. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C.  
10 § 6102(c), and Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation  
11 of the TSR constitutes an unfair or deceptive act or practice in or affecting  
12 commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

13 **VIOLATIONS OF THE TELEMARKETING SALES RULE**

14 **COUNT III**

15 **Misrepresentations in Violation of the TSR**

16 36. In numerous instances, in connection with telemarketing goods,  
17 Defendants have made false or misleading statements, directly or by implication,  
18 to induce consumers to pay for goods, including, but not limited to,  
19 misrepresentations that consumers who purchase merchandise from Defendants  
20 will receive well-known, brand-name merchandise at low or wholesale prices.

21 37. Defendants' acts or practices, as described in Paragraph 36 above,  
22 are deceptive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
23 § 310.3(a)(2)(iii) or § 310.3(a)(4).

24 **COUNT IV**

25 **Refund Misrepresentations in Violation of the TSR**

26 38. In numerous instances, in connection with telemarketing goods,  
27 Defendants have misrepresented, directly or by implication, material aspects of  
28

1 the nature or terms of the seller's refund, cancellation, exchange, or repurchase  
2 policies, including, but not limited to, that consumers who pay for and accept  
3 receipt of additional shipments from Defendants will receive the well-known,  
4 brand-name merchandise they ordered, along with a refund of the amount they  
5 have paid to Defendants.

6 39. Defendants' acts and practices, as described in Paragraph 38 above,  
7 are deceptive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
8 § 310.3(a)(2)(iv).

9 **COUNT V**

10 **Failure to Disclose Refund, Cancellation, Exchange, or Repurchase Policy**

11 40. In numerous instances, in connection with telemarketing goods,  
12 Defendants have failed to disclose truthfully, in a clear and conspicuous manner,  
13 before a consumer consents to pay for the goods, that Defendants have a policy of  
14 not making refunds or cancellations.

15 41. Defendants' acts and practices, as described in Paragraph 40 above,  
16 are deceptive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
17 § 310.3(a)(1)(iii).

18 **COUNT VI**

19 **Threats or Intimidation**

20 42. In numerous instances, in connection with telemarketing, Defendants  
21 have used threats or intimidation to coerce consumers to pay Defendants,  
22 including, but not limited to, threatening consumers with false legal actions, fines,  
23 damage to consumers' credit history, garnishment of income and bank accounts,  
24 arrest, and reports to immigration authorities.

25 43. Defendants' acts and practices, as described in Paragraph 42, are  
26 abusive telemarketing acts or practices that violate the TSR, 16 C.F.R.  
27 § 310.4(a)(1).

1 **CONSUMER INJURY**

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

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

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

16 46. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 6(b) of the  
17 Telemarketing Act, 15 U.S.C. § 6105(b), authorize this Court to grant such relief  
18 as the Court finds necessary to redress injury to consumers resulting from  
19 Defendants' violations of the TSR, including the rescission or reformation of  
20 contracts and the refund of money.

21 **PRAYER FOR RELIEF**

22 WHEREFORE, Plaintiff FTC, pursuant to Sections 13(b) and 19 of the  
23 FTC Act, 15 U.S.C. § 53(b) and 57b, Section 6(b) of the Telemarketing Act, 15  
24 U.S.C. § 6105(b), and the Court's own equitable powers, requests that the Court:

25 A. Award Plaintiff such preliminary injunctive and ancillary relief as  
26 may be necessary to avert the likelihood of consumer injury during the pendency  
27 of this action and to preserve the possibility of effective final relief, including, but  
28

1 not limited to, temporary and preliminary injunctions, an order freezing assets,  
2 immediate access to business premises, and the appointment of a receiver;

3 B. Enter a permanent injunction to prevent future violations of the FTC  
4 Act and the TSR by Defendants;

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

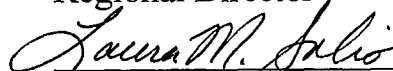
9 D. Award Plaintiff the costs of bringing this action, as well as such  
10 other and additional relief as the Court may determine to be just and proper.

11  
12 Dated this 2nd day of December, 2013.

13  
14 Respectfully Submitted,

15 JONATHAN E. NUECHTERLEIN  
16 General Counsel

17 CHARLES A. HARWOOD  
18 Regional Director

19 

20 LAURA M. SOLIS  
21 KATHRYN C. DECKER  
22 JULIE K. MAYER  
23 RAYMOND E. MCKOWN

24 ATTORNEYS FOR PLAINTIFF  
25 FEDERAL TRADE COMMISSION  
26  
27  
28

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

NOTICE OF ASSIGNMENT TO UNITED STATES JUDGES

This case has been assigned to District Judge John F. Walter and the assigned Magistrate Judge is Paul L. Abrams.

The case number on all documents filed with the Court should read as follows:

2:13CV8843 JFW PLAx

Pursuant to General Order 05-07 of the United States District Court for the Central District of California, the Magistrate Judge has been designated to hear discovery related motions.

All discovery related motions should be noticed on the calendar of the Magistrate Judge.

Clerk, U. S. District Court

December 2, 2013  
Date

By J.Prado  
Deputy Clerk

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NOTICE TO COUNSEL

*A copy of this notice must be served with the summons and complaint on all defendants (if a removal action is filed, a copy of this notice must be served on all plaintiffs).*

**Subsequent documents must be filed at the following location:**

Western Division  
312 N. Spring Street, G-8  
Los Angeles, CA 90012

Southern Division  
411 West Fourth St., Ste 1053  
Santa Ana, CA 92701

Eastern Division  
3470 Twelfth Street, Room 134  
Riverside, CA 92501

**Failure to file at the proper location will result in your documents being returned to you.**



**I. (a) PLAINTIFFS** ( Check box if you are representing yourself  ) **DEFENDANTS** ( Check box if you are representing yourself  )

Federal Trade Commission  
 CREAM GROUP, INC.; SAMI CHARCHIAN; JOHN CHARCHIAN, a/k/a Djahangir Charchian and Jahangir John Charchian; NORMA RAE RAMOS

(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same information.)  
 Laura M. Solis, Kathryn Decker, Julie Mayer  
 Federal Trade Commission  
 915 Second Avenue, Suite 2896, Seattle, WA 98174  
 Phone: (206) 220-6350

(b) Attorneys (Firm Name, Address and Telephone Number. If you are representing yourself, provide same information.)

**II. BASIS OF JURISDICTION** (Place an X in one box only.)

1. U.S. Government Plaintiff  
 2. U.S. Government Defendant  
 3. Federal Question (U.S. Government Not a Party)  
 4. Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES-For Diversity Cases Only** (Place an X in one box for plaintiff and one for defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business in this State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business in Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

**IV. ORIGIN** (Place an X in one box only.)

1. Original Proceeding  
 2. Removed from State Court  
 3. Remanded from Appellate Court  
 4. Reinstated or Reopened  
 5. Transferred from Another District (Specify)  
 6. Multi-District Litigation

**V. REQUESTED IN COMPLAINT: JURY DEMAND:**  Yes  No (Check "Yes" only if demanded in complaint.)

**CLASS ACTION under F.R.Cv.P. 23:**  Yes  No **MONEY DEMANDED IN COMPLAINT:** \$ 0

**VI. CAUSE OF ACTION** (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)  
 Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108

**VII. NATURE OF SUIT** (Place an X in one box only.)

OTHER STATUTES	CONTRACT	REAL PROPERTY CONT.	IMMIGRATION	PRISONER PETITIONS	PROPERTY RIGHTS
<input type="checkbox"/> 375 False Claims Act	<input type="checkbox"/> 110 Insurance	<input type="checkbox"/> 240 Torts to Land	<input type="checkbox"/> 462 Naturalization Application	<b>Habeas Corpus:</b>	<input type="checkbox"/> 820 Copyrights
<input type="checkbox"/> 400 State Reapportionment	<input type="checkbox"/> 120 Marine	<input type="checkbox"/> 245 Tort Product Liability	<input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 463 Alien Detainee	<input type="checkbox"/> 830 Patent
<input type="checkbox"/> 410 Antitrust	<input type="checkbox"/> 130 Miller Act	<input type="checkbox"/> 290 All Other Real Property	<b>TORTS</b>	<input type="checkbox"/> 510 Motions to Vacate Sentence	<input type="checkbox"/> 840 Trademark
<input type="checkbox"/> 430 Banks and Banking	<input type="checkbox"/> 140 Negotiable Instrument	<b>TORTS</b>	<b>PERSONAL PROPERTY</b>	<input type="checkbox"/> 530 General	<b>SOCIAL SECURITY</b>
<input type="checkbox"/> 450 Commerce/ICC Rates/Etc.	<input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment	<input type="checkbox"/> 310 Airplane	<input type="checkbox"/> 370 Other Fraud	<input type="checkbox"/> 535 Death Penalty	<input type="checkbox"/> 861 HIA (1395ff)
<input type="checkbox"/> 460 Deportation	<input type="checkbox"/> 151 Medicare Act	<input type="checkbox"/> 315 Airplane Product Liability	<input type="checkbox"/> 371 Truth in Lending	<b>Other:</b>	<input type="checkbox"/> 862 Black Lung (923)
<input type="checkbox"/> 470 Racketeer Influenced & Corrupt Org.	<input type="checkbox"/> 152 Recovery of Defaulted Student Loan (Excl. Vet.)	<input type="checkbox"/> 320 Assault, Libel & Slander	<input type="checkbox"/> 380 Other Personal Property Damage	<input type="checkbox"/> 540 Mandamus/Other	<input type="checkbox"/> 863 DIWC/DIWW (405 (g))
<input type="checkbox"/> 480 Consumer Credit	<input type="checkbox"/> 153 Recovery of Overpayment of Vet. Benefits	<input type="checkbox"/> 330 Fed. Employers' Liability	<input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 550 Civil Rights	<input type="checkbox"/> 864 SSID Title XVI
<input type="checkbox"/> 490 Cable/Sat TV	<input type="checkbox"/> 160 Stockholders' Suits	<input type="checkbox"/> 340 Marine	<b>BANKRUPTCY</b>	<input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 865 RSI (405 (g))
<input type="checkbox"/> 850 Securities/Commodities/Exchange	<input type="checkbox"/> 190 Other Contract	<input type="checkbox"/> 345 Marine Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158	<input type="checkbox"/> 560 Civil Detainee Conditions of Confinement	<b>FEDERAL TAX SUITS</b>
<input checked="" type="checkbox"/> 890 Other Statutory Actions	<input type="checkbox"/> 195 Contract Product Liability	<input type="checkbox"/> 350 Motor Vehicle	<input type="checkbox"/> 423 Withdrawal 28 USC 157	<b>FORFEITURE/PENALTY</b>	<input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant)
<input type="checkbox"/> 891 Agricultural Acts	<input type="checkbox"/> 196 Franchise	<input type="checkbox"/> 355 Motor Vehicle Product Liability	<b>CIVIL RIGHTS</b>	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881	<input type="checkbox"/> 871 IRS-Third Party 26 USC 7609
<input type="checkbox"/> 893 Environmental Matters	<b>REAL PROPERTY</b>	<input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 440 Other Civil Rights	<input type="checkbox"/> 690 Other	
<input type="checkbox"/> 895 Freedom of Info. Act	<input type="checkbox"/> 210 Land Condemnation	<input type="checkbox"/> 362 Personal Injury-Med Malpractice	<input type="checkbox"/> 441 Voting	<b>LABOR</b>	
<input type="checkbox"/> 896 Arbitration	<input type="checkbox"/> 220 Foreclosure	<input type="checkbox"/> 365 Personal Injury-Product Liability	<input type="checkbox"/> 442 Employment	<input type="checkbox"/> 710 Fair Labor Standards Act	
<input type="checkbox"/> 899 Admin. Procedures Act/Review of Appeal of Agency Decision	<input type="checkbox"/> 230 Rent Lease & Ejectment	<input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability	<input type="checkbox"/> 443 Housing/Accommodations	<input type="checkbox"/> 720 Labor/Mgmt. Relations	
<input type="checkbox"/> 950 Constitutionality of State Statutes		<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 445 American with Disabilities-Employment	<input type="checkbox"/> 740 Railway Labor Act	
		<input type="checkbox"/> 368 Asbestos Personal Injury Product Liability	<input type="checkbox"/> 446 American with Disabilities-Other	<input type="checkbox"/> 751 Family and Medical Leave Act	
			<input type="checkbox"/> 448 Education	<input type="checkbox"/> 790 Other Labor Litigation	
				<input type="checkbox"/> 791 Employee Ret. Inc. Security Act	

**FOR OFFICE USE ONLY:** Case Number: **CV13-8843**

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA  
CIVIL COVER SHEET**

**VIII. VENUE:** Your answers to the questions below will determine the division of the Court to which this case will most likely be initially assigned. This initial assignment is subject to change, in accordance with the Court's General Orders, upon review by the Court of your Complaint or Notice of Removal.

<b>Question A: Was this case removed from state court?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  If "no," go to Question B. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	STATE CASE WAS PENDING IN THE COUNTY OF:		INITIAL DIVISION IN CACD IS:
	<input type="checkbox"/> Los Angeles		Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo		Western
	<input type="checkbox"/> Orange		Southern
	<input type="checkbox"/> Riverside or San Bernardino		Eastern

<b>Question B: Is the United States, or one of its agencies or employees, a party to this action?</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No  If "no," go to Question C. If "yes," check the box to the right that applies, enter the corresponding division in response to Question D, below, and skip to Section IX.	If the United States, or one of its agencies or employees, is a party, is it:		INITIAL DIVISION IN CACD IS:	
	A PLAINTIFF?	A DEFENDANT?		
	Then check the box below for the county in which the majority of DEFENDANTS reside.	Then check the box below for the county in which the majority of PLAINTIFFS reside.		
	<input checked="" type="checkbox"/> Los Angeles	<input type="checkbox"/> Los Angeles		Western
	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo	<input type="checkbox"/> Ventura, Santa Barbara, or San Luis Obispo		Western
	<input type="checkbox"/> Orange	<input type="checkbox"/> Orange		Southern
<input type="checkbox"/> Riverside or San Bernardino	<input type="checkbox"/> Riverside or San Bernardino	Eastern		
<input type="checkbox"/> Other	<input type="checkbox"/> Other	Western		

Question C: Location of plaintiffs, defendants, and claims?	A. Los Angeles County	B. Ventura, Santa Barbara, or San Luis Obispo Counties	C. Orange County	D. Riverside or San Bernardino Counties	E. Outside the Central District of California	F. Other
Indicate the location in which a majority of plaintiffs reside:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indicate the location in which a majority of defendants reside:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Indicate the location in which a majority of claims arose:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>C.1. Is either of the following true? If so, check the one that applies:</b> <input type="checkbox"/> 2 or more answers in Column C <input type="checkbox"/> only 1 answer in Column C and no answers in Column D  Your case will initially be assigned to the SOUTHERN DIVISION. Enter "Southern" in response to Question D, below.  If none applies, answer question C2 to the right. →	<b>C.2. Is either of the following true? If so, check the one that applies:</b> <input type="checkbox"/> 2 or more answers in Column D <input type="checkbox"/> only 1 answer in Column D and no answers in Column C  Your case will initially be assigned to the EASTERN DIVISION. Enter "Eastern" in response to Question D, below.  If none applies, go to the box below. ↓
Your case will initially be assigned to the WESTERN DIVISION. Enter "Western" in response to Question D below.	

<b>Question D: Initial Division?</b>	INITIAL DIVISION IN CACD
Enter the initial division determined by Question A, B, or C above: →	Western

**UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA**

**CIVIL COVER SHEET**

**IX(a). IDENTICAL CASES:** Has this action been previously filed in this court and dismissed, remanded or closed?  NO  YES

If yes, list case number(s): \_\_\_\_\_

**IX(b). RELATED CASES:** Have any cases been previously filed in this court that are related to the present case?  NO  YES

If yes, list case number(s): \_\_\_\_\_

**Civil cases are deemed related if a previously filed case and the present case:**

- (Check all boxes that apply)
- A. Arise from the same or closely related transactions, happenings, or events; or
  - B. Call for determination of the same or substantially related or similar questions of law and fact; or
  - C. For other reasons would entail substantial duplication of labor if heard by different judges; or
  - D. Involve the same patent, trademark or copyright, and one of the factors identified above in a, b or c also is present.

**X. SIGNATURE OF ATTORNEY  
(OR SELF-REPRESENTED LITIGANT):**

*Lucia M. Anli*

DATE: 12/2/13

**Notice to Counsel/Parties:** The CV-71 (JS-44) Civil Cover Sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law. This form, approved by the Judicial Conference of the United States in September 1974, is required pursuant to Local Rule 3-1 is not filed but is used by the Clerk of the Court for the purpose of statistics, venue and initiating the civil docket sheet. (For more detailed instructions, see separate instructions sheet).

**Key to Statistical codes relating to Social Security Cases:**

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))