

IN THE IOWA DISTRICT COURT FOR POLK COUNTY

**STATE OF IOWA** ex rel.  
THOMAS J. MILLER,  
ATTORNEY GENERAL OF IOWA,

Plaintiff,

v.

**TCA MAILING, INC.**,  
a New Jersey corporation;

**T CLEMENTS & ASSOCIATES, INC.**,  
a New Jersey corporation;

and

**TIMOTHY J. CLEMENTS**  
in his individual capacity and his corporate  
capacity as manager/owner/officer of the  
corporate defendants;

Defendants.

**EQUITY No. CE 078774**

**PETITION IN EQUITY**

The State of Iowa *ex rel.* Attorney General Thomas J. Miller, through Assistant Attorney General Steve St. Clair, states as follows in this enforcement proceeding against the above-named defendants under the Iowa Consumer Fraud Act, Iowa Code § 714.16 (CFA), and the Older Iowans Law, Iowa Code § 714.16A:

**INTRODUCTION**

Defendants have been deeply involved in vicious consumer frauds that cheat and bully elderly Iowans (and other U.S. residents) into sending money. Working with hard-to-reach operations in Europe, these U.S.-based Defendants have provided the scammers abroad with a range of vital services that have enabled them to victimize Iowans.

One scheme, for example, involves mailing out an invitation to receive, *free of charge*, a personalized analysis from a supposed psychic that includes the number selections that will win

more than \$1,000,000 in an upcoming lottery. The vulnerable consumers who respond receive some written materials of little or no value, along with an unexpected bill for \$24. Consumers who decline to pay the bill because they had been told there would be no charge are then subjected to a series of increasingly menacing letters, threatening that a collection agency will “prosecute” the matter, jeopardize the consumer’s credit rating, and assess additional payments unless the victim immediately pays \$28.30 (the \$24 bill plus a \$4.30 “late fee”). Upon information and belief, many consumers lured in and then threatened in this manner reluctantly paid, rather than risking the consequences. Defendants’ conduct in promoting and facilitating such schemes has caused untold financial loss to older Iowans and others – not to mention the emotional harm inflicted.

After receiving complaints from two older Iowans in early 2015, the Consumer Protection Division served an investigative subpoena on Defendants to obtain information and documents relating to such schemes, including Defendants’ role in conducting them and the extent of the victimization. Defendants initially provided a partial response, but then sent key information and documents to the Netherlands, defying the investigation and harming victims by making payment records inaccessible. This scofflaw attempt to thwart investigative efforts evinces consciousness of wrongdoing, and is itself an unfair practice within the meaning of the Consumer Fraud Act.

The facts warrant forceful application of all of the remedies available under the Consumer Fraud Act -- including full restitution, complete disgorgement of all payments ever received from Iowans,<sup>1</sup> and civil penalties of \$40,000.00 *per violation per defendant*, increased by \$5,000.00 when directed against older Iowans -- in order to make Iowans whole, penalize these Defendants

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<sup>1</sup> No statute of limitations applies to this enforcement action by the State of Iowa. *See Fennelly v. A-1 Machine & Tool Co.*, 728 N.W.2d 163, 168 (Iowa 2006).

for their predatory conduct, and deter others who might have similar designs on vulnerable older Iowans.

### **PARTIES AND VENUE**

1. Thomas J. Miller is the Attorney General of the State of Iowa, and is expressly authorized by Iowa Code §§ 714.16 (6) & (7) of the Consumer Fraud Act (sometimes “CFA” or “the Act”) to bring this action on behalf of the State of Iowa.

2. TCA Mailing Inc. is a for-profit corporation, incorporated in New Jersey and having its Executive Office at 180 Brighton Road in Clifton, New Jersey.

3. T Clements & Associates, Inc. is a for-profit corporation, incorporated in New Jersey and located at the same address as TCA Mailing Inc.

4. Timothy J. Clements is a resident of Bordentown, New Jersey, and is President and owner of both TCA Mailing Inc. and T Clements & Associates Inc.; upon information and belief, Mr. Clements is actively involved in the day-to-day management and control of these corporate entities, and exercises a degree of control sufficient to render him legally responsible for the violations alleged herein.

5. Venue is proper in Polk County pursuant to Iowa Code § 714.16 (6) in connection with their failure to comply with the Consumer Fraud Act subpoena, and also pursuant to Iowa Code § 714.16 (10) because upon information and belief Defendants have done business in Polk County and have directed the solicitations at issue to residents of Polk County.

### **JURISDICTION**

6. Iowa Code § 714.16 (2)(a) of the Consumer Fraud Act provides in pertinent part:

*The act, use or employment by a person of an unfair practice, deception, fraud, false pretense, false promise, or misrepresentation, or the concealment, suppression or omission of a material fact with intent that others rely upon the concealment, suppression, or omission, in connection*

*with the lease, sale, or advertisement of any merchandise or the solicitation of contributions for charitable purposes, whether or not a person has in fact been misled, deceived, or damaged, is an unlawful practice.*

7. Iowa Code § 714.16 (1) of the CFA provides the following definitions:

*(f) "Deception" means an act or practice which has the tendency or capacity to mislead a substantial number of consumers as to a material fact or facts.*

*(n) "Unfair practice" means an act or practice which causes substantial, unavoidable injury to consumers that is not outweighed by any consumer or competitive benefits which the practice produces.*

8. Iowa Code § 714.16 (3) of the CFA provides as follows:

*When it appears to the attorney general that a person has engaged in, is engaging in, or is about to engage in any practice declared to be unlawful by this section or when the attorney general believes it to be in the public interest that an investigation should be made to ascertain whether a person in fact has engaged in, is engaging in or is about to engage in, any such practice, the attorney general may: (a) Require such person to file on such forms as the attorney general may prescribe a statement or report in writing under oath or otherwise, as to all the facts and circumstances concerning the sale or advertisement of merchandise by such person, and such other data and information as the attorney general may deem necessary; ...*

9. Iowa Code § 714.16 (4)(a) of the CFA provides:

*To accomplish the objectives and to carry out the duties prescribed by this section,<sup>2</sup> the attorney general, in addition to the other powers conferred upon the attorney general by this section, may issue subpoenas to any person, administer an oath or affirmation to any person, conduct hearings in aid of any investigation or inquiry, prescribe such forms and promulgate such rules as may be necessary, which rules shall have the force of law.*

10. Iowa Code § 714.16 (7) of the CFA provides, in pertinent part:

*Except in an action for the concealment, suppression, or omission of a material fact with intent that others rely upon it, it is not necessary in an action for reimbursement or an injunction, to allege or to prove reliance,*

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<sup>2</sup> The "section" is the entire Consumer Fraud Act, which is contained in its entirety within section 714.16 of the Code of Iowa.

*damages, intent to deceive, or that the person who engaged in an unlawful act had knowledge of the falsity of the claim or ignorance of the truth.*

11. In describing remedies under the CFA, Iowa Code § 714.16 (7) provides in pertinent part as follows:

*If it appears to the attorney general that a person has engaged in, is engaging in, or is about to engage in a practice declared to be unlawful by this section, the attorney general may seek and obtain in an action in a district court a temporary restraining order, preliminary injunction, or permanent injunction prohibiting the person from continuing the practice or engaging in the practice or doing an act in furtherance of the practice. The court may make orders or judgments as necessary to prevent the use or employment by a person of any prohibited practices, or which are necessary to restore to any person in interest any moneys ... which have been acquired by means of a practice declared to be unlawful by this section ...*

*In addition to the remedies otherwise provided for in this subsection, the attorney general may request and the court may impose a civil penalty not to exceed forty thousand dollars per violation against a person found by the court to have engaged in a method, act, or practice declared unlawful under this section; provided, however, a course of conduct shall not be considered to be separate and different violations merely because the conduct is repeated to more than one person. In addition, on the motion of the attorney general or its own motion, the court may impose a civil penalty of not more than five thousand dollars for each day of intentional violation of a ... permanent injunction issued under authority of this section.*

## **FACTUAL BACKGROUND**

### ***Complaint of Iowan Patricia B-***

12. In March of 2015, the Consumer Protection Division (the Division) received a letter from Patricia B-, an 85-year-old resident of Eastern Iowa who was passing along a mailing she had received from one “Josef v. J.” Josef called her by her first name, claimed to be “the only money-winning fortune-teller in the world,” and promised to provide Patricia numbers and other instructions that would guarantee her a lottery win of more than a million dollars. The letter emphasized that Josef would do all this “completely free of charge.” Although Patricia did not

respond to the offer, her complaint to the Division said she was speaking out because she received many such mailings and wanted to notify authorities of these efforts to “prey upon the elderly.” Her letter, with the copy of the mailing she received from “Josef,” is appended hereto as **Attachment I**.<sup>3</sup> The return address for this solicitation from Josef was *PO Box 4675*, Trenton, New Jersey.

13. Upon receiving this Iowan’s complaint, CPD investigator Al Perales wrote a letter to “Josef” at *PO Box 4675*, asking that mailings to Patricia B- cease. The response is appended as **Attachment II**. Notably, although Patricia B- had not requested the free analysis and was not complaining of dunning letters from Josef, the response letter promised that Patricia would “not get any further payment reminders” and that “further collection efforts” would cease. (Att. II)

14. The CPD has determined through postal records that the application for Trenton *PO Box 4675* was submitted on September 8, 2009 on behalf of “T. Clements & Assoc. for Jupiter Direct Mail AG” by “Clements, Timothy J., President.” Postal records further indicate that Clements’ application sought to use the PO Box for mail to Josef Von Jalen, as well as mail to Walter Bishop, Caterina La Cruz, Eric Magnusson, and Golden Esoteric Society (among others). Correspondence to postal authorities after the application, regarding expanded use of the PO Box, came from Tim Clements (and one Pat Woolley) on the letterhead of TCA Mailing, Inc.

#### *Complaint of Iowan Joyce K-*

15. In May of 2015, Joyce K-, a 69-year-old resident of central Iowa, complained to the CPD that she had received a mailing offering a free psychic “analysis” by Josef v. J. She said she filled out the written response (including her date of birth), thinking that it might be fun to see the free analysis. But shortly after receiving the analysis – which consisted of some instructions and

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<sup>3</sup> Consumer names and other identifying or personal information have been redacted from this and other attachments.

a “reading” from a “Soraya,” all of which she threw away – she began receiving dunning letters. One such letter warned that “your failure to settle your account” had resulted in Joyce’s “account” being passed to a collection agency: “The collection agency has agreed to wait 12 days only from the date you receive this FINAL NOTICE . . . before prosecuting your account to the full extent of the law.... **If you fail to pay, your non-payment will definitely affect your credit history and further fees of at least \$41.48 will be assessed!**” (Emphasis in original.) Joyce K-’s complaint, which includes three dunning letters, is appended as **Attachment III**. The letters directed Joyce to send her payments to the American Esoteric Society at *PO Box 16002*, New Brunswick, New Jersey.

16. The CPD has determined through postal records that the July 18, 2008 application for New Brunswick *PO Box 16002* identifies ‘Timothy Clements/Esoworld’ as the applicant for that box number, and gives the applicant’s address as 400 Gotham Parkway, Carlstadt, New Jersey. That Carlstadt address was the address of TCA Mailing, Inc. at that time.

***Defendants Sent Responsive Information and Materials to Europe to Avoid  
Producing It and to Thwart the Attorney General’s Investigation***

17. On May 21, 2015, the Attorney General issued an investigative subpoena to Defendants pursuant to Iowa Code §§ 714.16 (3) & (4). The subpoena is appended as **Attachment IV**.

18. On June 12, 2015, Defendants provided a partial response<sup>4</sup> to the subpoena in which:

- a) TCA Mailing denied responsibility for the Josef v. J. mailings, stating that those mailings and other such promotions were marketed by

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<sup>4</sup> This response, over the signature of Timothy J. Clements, purported to be from TCA Mailing alone, claiming that “[n]either T. Clements & Associates or Timothy J. Clements in my individual capacity has any relation with the matters set forth in your subpoena and has no information to provide.”

Defendants' client, Regency Marketing AG,<sup>5</sup> and that "TCA has nothing to do with the creation of any advertising or with developing, producing or sending such solicitations or advertisements"; "TCA has nothing to do with any lists that are used to solicit customers . . . ."; and "TCA does not maintain records of the name and address of customers . . . ."

b) TCA acknowledged that "TCA receives the mail, data enters the customer's information into a software system provided and owned by Regency and transmits that information directly to Regency via FTP-server"; "TCA takes checks or other payments submitted by the customer and sends them to Regency's bank for deposit"; "TCA then mails the fulfillment materials prepared by Regency to the customer."

c) TCA referenced an agreement with Regency which detailed numerous duties of TCA, including handling incoming orders and inquiries; routing customer checks to Regency's bank; issuing customer payment "reminders"; fulfilling orders; and printing astrological documents and cover letters.

This June 12 response to the subpoena is appended as **Attachment V**.

19. In order to address the incompleteness of the subpoena response, on June 17 the undersigned sent to Sheldon Lustigman, Defendants' attorney, the email detailing the discrepancies (appended as **Attachment VI**). The email detailed the discrepancies, and identified several categories of responsive information and documents that could be expected to be in Defendants' possession and control, given Defendants' own description of their activities.

20. On July 27, Attorney Lustigman sent an email stating that he was working with Defendants to provide the requested information. He continued: "However, it appears that much of the information contains confidential financial information and/or trade secrets. What is the procedure that you[r] office follows to assure the confidentiality of such materials?" Later that same day the undersigned emailed back to explain the confidentiality protections available under Iowa law. This email exchange is appended as **Attachment VII**.

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<sup>5</sup> TCA later indicated that Regency was located in Switzerland.



21. On August 3, 2015, Mr. Lustigman responded to the Attorney General's request for supplementation (§ 19 above). This response indicated that Defendants "did not have any of the information or materials requested," because

"[a]ll electronically stored information has been sent to Regency at its direction. TCA no longer does data entry for any of the offers. Nor does it any longer send the checks to Regency's bank or perform caging services. Rather all mail received is forwarded unopened at Regency's request to Regency's agent" [in the Netherlands].

The response continued that

"[a]s far as payment processing is concerned, prior to mid-June of last month, TCA opened the mail and sent the checks to PacNet . . . [a Canada payment processor]. Since that time, at Regency's direction, all mail and checks are sent directly to Regency's agent" [in the Netherlands].

The complete August 3<sup>rd</sup> response is appended as **Attachment VIII**.

22. To confirm the implication that responsive information and materials had been sent to Europe to avoid producing them in response to the Attorney General's subpoena, the undersigned telephoned Attorney Lustigman on August 7, 2015. Mr. Lustigman confirmed that it was his understanding that the sending of all electronically-stored information to Europe, and the re-direction of mail and checks to Europe, took place after service of the subpoena on June 1, 2015.<sup>6</sup>

*Defendants Violated the Consumer Fraud Act*

23. Upon information and belief, Defendants, and each of them, acting in coordination with Regency, Jupiter, and/or other such client entities, participated in the Josef v. J. consumer fraud, and other such consumer frauds, in a manner and to an extent that renders each Defendant

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<sup>6</sup> Indeed, the sending of at least some subpoenaed evidence to Europe evidently took place after July 27, the date Mr. Lustigman inquired about confidentiality protections for financial data and other information he was then working with his client to produce. (See § 20 above.) Notably, no financial information was ever produced, and none of the information that was produced was designated confidential. (See § 21 above.)

liable for all purposes under the Consumer Fraud Act. In addition, under the circumstances of this case, the act of sending abroad materials sought in a consumer fraud investigation, thus obstructing efforts to identify victims and protect consumers generally, constitutes an unfair act or practice under the CFA, giving rise to civil penalties and other relief.

24. Upon information and belief, Defendants have participated in the systematic exploitation of vulnerable consumers who were predominantly of advanced age, both by sending the above-described mailings to lists of such consumers, and by participating in efforts to rent out the names of victims of the above-described misconduct to other marketers with comparable practices.

*Defendants Violated the Older Iowans Law*

25. Defendants' violations of the Consumer Fraud Act were in willful disregard of the rights of older persons; Defendants knew or should have known that such conduct was directed to older persons; older persons are substantially more vulnerable to such conduct on account of age and other factors; and civil penalties should be imposed upon Defendants and each of them under the Older Iowans Law, Iowa Code § 714.16(A).

*Spoliation of Evidence*

26. In applying the CFA and Older Iowans Law to Defendants' conduct, and in fashioning remedies under those laws, the Court should draw adverse inferences regarding all matters upon which the evidence spoliated by Defendants had any bearing, and should otherwise apply the law of spoliation to the resolution of this case.

*Other Allegations*

27. Neither all nor any part of the application for injunctive relief herein has been previously presented to and refused by any court or justice. Iowa R.Civ.P. 1.1504.

28. In an action by the state, no security shall be required of the state. Iowa R.Civ.P. 1.207.

**COUNT I**

**CONSUMER FRAUD ACT VIOLATIONS**

29. The Introduction and paragraphs 1 through 28 are incorporated herein by reference.

30. Defendants' acts and practices violate the prohibition of Iowa Code § 714.16 (2)(a) against misleading, deceptive, unfair, and omissive acts and practices, and otherwise violate that subsection of the CFA.

31. Although it is not necessary to establish reliance, damages or intent to deceive to obtain injunctive relief or reimbursement under the Consumer Fraud Act (*see* paragraph 11 above), establishing these factors, particularly intent, is nevertheless relevant *inter alia* to the Court's determination of the appropriate scope of injunctive relief and the appropriate amount of civil penalties. Those acts and practices of Defendants in violation of subsection (2)(a) of the Consumer Fraud Act as alleged in this Count would in fact induce reliance on the part of consumer victims, would in fact cause damage to consumer, and/or were in fact intentional.

**COUNT II**

**OLDER IOWANS LAW VIOLATIONS**

32. The Introduction and paragraphs 1 through 28 are incorporated herein by reference.

33. Defendants' violations of the Consumer Fraud Act were committed against older Iowans within the meaning of Iowa Code § 714.16(A), and give rise to the penalties set forth in that provision.

**PRAYER**

Plaintiff prays the Court grant the following relief:

A. Pursuant to Iowa Code § 714.16 (7), and upon further request by Plaintiff separately addressed to the Court, enter a temporary restraining order and preliminary injunction restraining Defendants, and each of them, and (as applicable) such Defendant's directors, officers, principals, partners, employees, agents, servants, representatives, subsidiaries, affiliates, successors, assigns, merged or acquired predecessors, parent or controlling entities, and all other persons, corporations and other entities acting in concert or participating with such Defendant who have actual or constructive notice of the Court's injunction, from engaging in the deceptive, misleading, omissive, and unfair practices alleged in this Petition or otherwise violating the Iowa Consumer Fraud Act.

B. Pursuant to Iowa Code § 714.16 (7), after trial on the merits, make permanent the above-described injunctions, expanding their provisions as necessary by including *inter alia* such "fencing in" provisions as are reasonably necessary to ensure that Defendants and other enjoined persons and entities do not return to the unlawful practices alleged herein, or commit comparable violations of law.

C. Pursuant to Iowa Code § 714.16 (7), enter judgment against Defendants, jointly and severally, for amounts necessary to restore to Iowans all money acquired by means of acts or practices that violate the Consumer Fraud Act.

D. Pursuant to Iowa Code § 714.16 (7), enter judgment against Defendants, jointly and severally, for such additional funds as are necessary to ensure complete disgorgement of all ill-gotten gain traceable to the unlawful practices alleged herein.

E. Pursuant to Iowa Code § 714.16 (7), enter judgment against each Defendant for up to \$40,000.00 for each separate violation of the Consumer Fraud Act.

F. Pursuant to Iowa Code § 714.16A, the Older Iowans Law, enter judgment against each Defendant for a civil penalty of up to \$5,000.00 to be added to each civil penalty imposed under the Consumer Fraud Act.

G. Award Plaintiff interest as permitted by law.

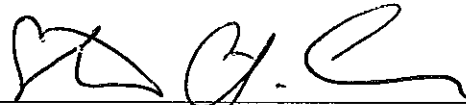
H. Pursuant to Iowa Code § 714.16 (11), enter judgment against Defendants, jointly and severally, for attorney fees, state's costs and court costs.

I. Retain jurisdiction as necessary to ensure full compliance with the pertinent provisions of the Consumer Fraud Act and with the Court's orders.

J. Grant such additional relief as the Court deems just and equitable.

Respectfully submitted,

THOMAS J. MILLER  
Attorney General of Iowa

A handwritten signature in black ink, appearing to read 'S. St. Clair', is written over a horizontal line.

STEVE ST. CLAIR  
Assistant Attorney General  
Hoover State Office Building, 2<sup>nd</sup> Floor  
1305 E. Walnut  
Des Moines, Iowa 50319  
Telephone: 515-281-3731/Fax: 281-6771  
[Steve.StClair@iowa.gov](mailto:Steve.StClair@iowa.gov)

Dear Sir.

I am sending you the  
ads I get (as well as anyone over  
80 yrs. I presume).  
I received 8 of these mailings  
in 1 1/2 wks.

I know enough not to think  
I'm going to receive \$1,000,000 - or  
that someone has read "my stars"  
and can predict all kinds of terrible  
things will happen to me if I don't  
comply with their wishes!

There must be some way,  
I'm 85 years old - and I  
must be able to block this sort  
of truly "criminal activities that  
prey against the elderly.

Thanks you for your kind  
attention. Please contact me.

Sincerely

Pat [REDACTED]

And

Ar 50 [REDACTED]

Please  
affix  
stamp  
here

*Reply*

Josef v. J.  
PO Box 4675  
Trenton, NJ 08650

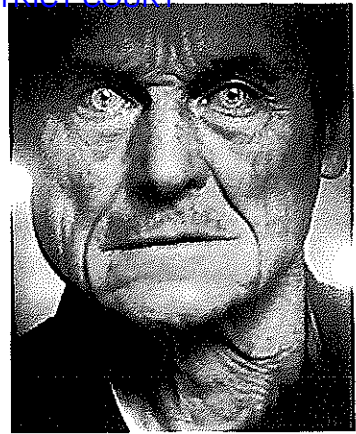
**VERY  
IMPORTANT!**

**Private and confidential;  
for addressee only**

11111111

Josef v. J.

VERY  
IMPORTANT!



URGENT -

Ms. Patricia B [REDACTED]

[REDACTED] Ave.

[REDACTED], IA 52 [REDACTED]

|||||

02/08/2015

Dear Patricia,

Please read this letter very carefully as it is NOT A PUBLICITY CIRCULAR!!!!  
Your great day and at the same time your final chance stands waiting at the door!

And thus I am writing this truly urgent reminder to you today, since after all the time of waiting and hoping, I today have the great honor of letting you know that you will at last achieve the great win of money.

I know that you have heard this often already, but for this very reason please now read the following lines very, very carefully.

Because:

I can today announce to you that it is a given certainty that you will win a very, very large sum of money. And this will be in the lottery. And I am not speaking of a few ten thousand dollars, but of over a million dollars!!!!!!

And thus I tell you today that you, dear Patricia, will receive all the information from me concerning when you must play which numbers to achieve with 100 percent certainty this one maximum win in the lottery!

And you will receive this precise information from me completely free of charge and without any obligations whatsoever! And the reason for this is:

You have unfortunately often already experienced that you have been promised good fortune and winning numbers, but never been led to the win so much hoped for. And, furthermore, you have also paid a lot of money for this and in the end you stood there empty handed.

Now, however, dear Patricia, good fortune is now really on its way to you. And because true happiness and good fortune do not demand any money, it goes without saying that I too will not request any money from you for this good news either. This is governed by the law of trust and the belief in the perfection in human beings.

Yet why, you will now be asking yourself, why you of all people, Patricia, and why now of all times ... Well, the answer is very simple:



For every person there are two to three points in time in life when he can acquire this great fortune. But most people miss these points in time because they do not recognize them and even if they were to recognize them, they would not usually know where this great fortune is waiting.

In your case, Patricia, thanks to my unique abilities as a fortune-teller of wins of money, I just happen to know that the last of these time points has not been with you yet, but is still to come! And I also know that, as a result of a special mediumistic quality of yours, you possess a sub-spiritual contact arc, that not many people are privileged to have. This means that you belong among those people to whom good fortune gives a sign.

And this allows me to tell you precisely what this sign looks like and where and when you can find it! For this is my ability, which has led me to where I am today. I can see such signs for people and tell them about these. Thus, for you too, Patricia!

I know all this sounds very complicated and I would thus like to tell you this once again in very simple words:

Patricia, I will tell you when, where and how you can soon achieve a great win of money and, furthermore, how you will achieve this with certainty!

② To do so, I will send you a precise description of how, when and where your luck in the lottery is waiting and along with this you will receive the corresponding winning numbers.

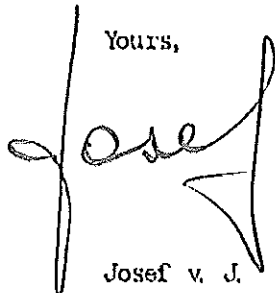
② And all this I will do for you completely free of charge; I shall not request a single penny from you. Not today, not tomorrow, never!

② If I should put this information together for you and send it to you free of charge, then please reply to me with the "Magic Voucher", enclosed with my letter, and send it to me in the enclosed reply envelope. It is important for me that you also answer the two questions on the "Magic Voucher", as I need these in order to work everything out correctly on your behalf.

And thus I today implore you in your own personal interest:

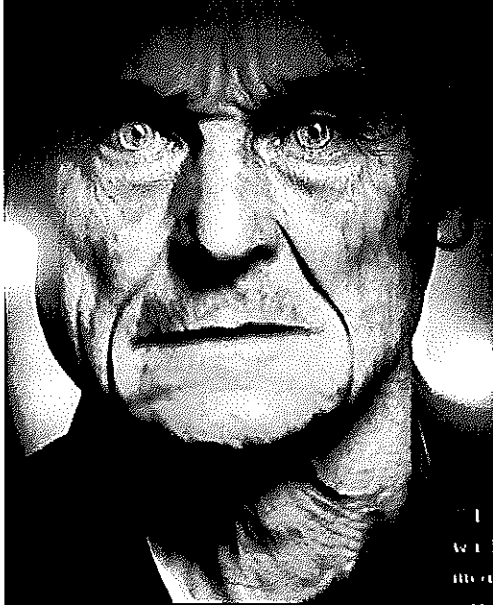
Grasp the good fortune now, Patricia, as it is not only your very last chance, but it also costs you nothing except your reply to me.

Yours,

A handwritten signature in cursive script, appearing to read 'Josef', with a large, stylized flourish extending from the bottom right.

Josef v. J.

# Josef - the only money-winning fortune-teller in the world -



**J**osef has the unique ability to tell you very precisely just under what circumstances you can acquire a big win. A person will never win any money or anything else if a certain constellation of individual, personally decisive factors does not come together at the right moment! It is the great and worldwide unique power of Josef to be able to recognize and name these factors!

It is Josef's calling to implement his abilities in all regions of the world.

Let him tell you precisely what you have to do to achieve that win so longed for, what money-winning karma you possess and how you will acquire that fortune that will simply fly into your hands as a big win!

"I will make you rich! You will soon have so much money that you will never ever need to have any more financial worries!"

*Josef*

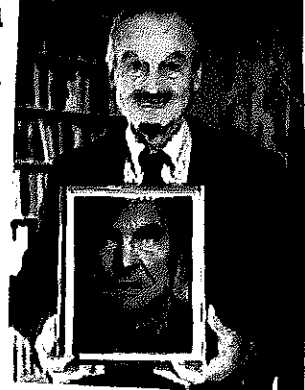
## Voices from the Press:

"Josef is the only money-winning fortune-teller in the world. He has the unique ability to tell every single individual precisely under what circumstances that person will win. This makes him unique! And it works!"  
(The Guard, Australia)

"His father lost a fortune on the stock exchange - the son is the King of the winners: Josef! He possesses the genius to make every person a lucky fellow. A genuine fortune awaits all those who can consider themselves lucky enough to receive Josef's help!"  
(Echo der Freiheit, Germany)

"He is a veritable miracle. He has brought him the money comes to the people, you can see it!"  
(Focus, Germany)

Josef client Richard Hodgekins (68, picture on the right) from West Virginia was lucky enough to get to know Josef personally at his brief stop in the United States in the middle of last year. 4 days after this picture was taken at this meeting Richard Hodgekins cheered overjoyed that, thanks to Josef's help, he had won just under \$93,000 at a famous casino with an initial stake of only \$30. Up until March 2014, in 8 lotteries, he has won a total of \$863,915.35!





Josef

# Magic Voucher

Issued by Josef v. J. for

JU103V

Ms. Patricia B [REDACTED]

[REDACTED] Ave.

[REDACTED], IA 52 [REDACTED]

If you, Patricia B [REDACTED], send this magic voucher along with the answers to the following questions back to me, Josef v. J., then I will work out and send you all the information you need to recognize the final point in time still left in your life when you can win the great fortune with certainty. And this in your case means in concrete terms one of the maximum wins in the lottery!

Please now answer the following questions for me, then complete this magic voucher with your signature and send it back to me in the enclosed envelope to the office I commissioned in.

I shall then work everything out for you and send you my analysis with all the information completely free of charge (naturally without any charge for dispatch and delivery either)!



Reply from Patricia B [REDACTED] to Josef v. J.

Question 1 to Patricia: What is your father's first name?

Your Answer: .....

Question 2 to Patricia: Please tell me your date of birth:

Your Answer: .....

Yes, dear Josef v. J., please do everything for me as described and FREE OF CHARGE. I do not have to pay you a fee. I also authorize you to undertake everything necessary to achieve the GOOD and POSITIVE goal for me as described! Please mail the information when I must play which numbers to achieve the maximum win in the lottery to:

JU103V

Ms. Patricia B [REDACTED]

[REDACTED] Ave.

[REDACTED] IA 52 [REDACTED]

Signature: .....

Please fill in and detach this voucher and mail it in the enclosed reply envelope to Josef v. J.

This magic voucher is only valid and effective if it bears a stamp,  
the date and the name of the recipient:



02/08/2015 AD

Intended recipient: Patricia B. [REDACTED], [REDACTED]

**Josef v. J.**

PO Box 4675

Trenton, NJ 08650

151121

APR 2015

04/14/2015

Department of Justice  
Consumer Protection Division  
Mr. Al Perales  
Hoover Bldg., 1305 E. Walnut  
Des Moines, Iowa 50319  
USA

**Consumer: Patricia B [REDACTED]**

Dear Mr. Al Perales!

We are sorry to hear that Ms. Patricia B [REDACTED] is dissatisfied with our services. We already closed her account. She will not get any further payment reminders from us. We will cease and desist from further collection efforts. We will also remove her from our mailing list and we will not report her to a collection agency. Ms. Patricia B [REDACTED] never sent any money to our office, she never placed an order and so we can't give her a refund.

We sincerely apologize to Ms. Patricia B [REDACTED] for any inconvenience and we hope this information is helpful in resolving this matter.

If you do have any further questions please do not hesitate to contact us.

Best regards,

Josef v. J.  
Customer Service

**ATTACHMENT II**

RECEIVED

15 MAY 29 AM 10:39

CONSUMER PROTECTION DIV.

Joyce K [REDACTED]  
[REDACTED] St  
[REDACTED], the so [REDACTED]  
vs  
American Esoteric  
Society

I received a post card in the mail from  
this society for a free "analysis". I thought  
it would be fun to see what they had to say -  
so I sent it in with my birth date written on  
it. Then a couple weeks later I received an  
envelope with all these dates and instructions  
from Dorcas and Joyce and a bill for \$24.00  
for their reading which I didn't ask for.  
I'm sorry I threw it away. Some of what  
they said was a little scary so I just got  
rid of it.

Then I started getting these notices for  
past due and yesterday I received one  
that is threatening. I want them to stop

Sincerely  
Joyce K [REDACTED]

ATTACHMENT III

# American Esoteric Society

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Important  
Information  
enclosed

**PAST DUE**

Invoice date 3/25/15  
Invoice No 698.009.JTV

**Payment Reminder: Analysis Josef v. J.**

Dear Joyce K [REDACTED]

We regret to inform you that your account is overdue since 3/10/2015. We have not received any payment for your

**Analysis from Joseph v. J.**

You authorized Joseph to undertake everything necessary to achieve the large, very large lottery win for you. In order to do so he had to advance \$24.00 for the costs of Soraya who set up the contact arc.

It is important that Soraya activates the contact arc for you. Only with this link can the magic envelope - which you received from Joseph - name the date and numbers which you must play in the lottery to realize your unbelievable huge win!

Please understand that we added a late payment fee to your outstanding amount.

Fee (Only the expenses for Soraya):	\$24.00
<u>Late payment fee:</u>	<u>\$2.40</u>
<b>Total amount due:</b>	<b>\$26.40</b>

Please settle the amount due of \$26.40 at the latest by 4/2/2015.

As soon as we have received your payment the contact arc will be activated and the date and the numbers which you have to play will appear on the silver surface of the magic envelope.

-----  
*Please detach and return with your payment*

Invoice No. 698.009.JTV 2040

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Josef

**\$26.40**



# American Esoteric Society

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Important  
Information  
enclosed

**PAST DUE**

Invoice date 5/7/2015  
Invoice No 698.009.JTV

3rd payment reminder for the analysis from Josef v. J.  
For your mail order on open account

Dear Joyce K [REDACTED]

You did not respond to either of our two urgent appeals to remit your contribution toward the analysis you bought on open account from Josef v. J. Unfortunately, we must remind you once again

**Your payment is overdue since 58 days!**

We offered you a discounted price of only \$24.00 and you agreed to pay this price. Since you failed to pay you unfortunately have incurred a late payment fee. On behalf of Josef we charge you:

Fee for Analysis:	\$24.00
<u>Late payment fee:</u>	<u>\$3.40</u>
<b>Total amount due:</b>	<b>\$27.40</b>

This invoice is due upon receipt. However, Josef asked us to waive the late payment fee if you pay \$24.00 latest within 5 days after receipt of this reminder.

If you fail to pay within 5 days please pay the total amount due of \$27.40. Please notice that we will pass your account to a collection agency if we don't receive any payment within 14 days.

Should you have already settled your account in the meantime, please disregard this notice.

-----  
*Please detach and return with your payment*

Invoice No. 698.009.JTV 1639

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Josef v. J.

**\$27.40**

# American Esoteric Society

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Important  
Information  
enclosed

**PAST DUE**

Invoice date 5/22/2015  
Invoice No 698.009.JTV

## 4th Payment Reminder

For your mail order on open account

## FINAL NOTICE

Dear Joyce K [REDACTED]

You purchased an Analysis from Josef v. J. on open account. Unfortunately you did not respond to our first, second and third payment reminder.

**This FINAL NOTICE is to inform you that your failure to settle your account to date has resulted in your account being passed to a collection agency.**

This is your final notice before legal action is taken! Because your balance is open since 73 days you have incurred a late payment fee.

Fee for Analysis:	\$24.00
<u>Late payment fee:</u>	<u>\$4.30</u>
<b>Total amount due:</b>	<b>\$28.30</b>

The collection agency has agreed to wait 12 days only from the day you receive this FINAL NOTICE as a grace period before prosecuting your account to the full extent of the law. If you pay your amount due of \$28.30 within 12 days in full, you can stop this process.

**If you fail to pay, your non-payment will definitely affect your credit history and further fees of at least \$41.48 will be assessed!**

..... Should you have already settled your account in the meantime, please disregard this notice. ....

Please detach and return with your payment

Invoice No. 698.009.JTV 2452

Joyce K [REDACTED]  
[REDACTED] St.  
[REDACTED] IA 50 [REDACTED]

Josef v. J.

**\$28.30**

From : \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Place  
stamp  
here

*Reply*



**American Esoteric Society**

PO Box 16002

New Brunswick, NJ 08906

---



involved directly or indirectly in creating, developing, producing, or sending such solicitations, advertisements, or contacts.

(2) For each person or business that was or should have been identified or referenced in the response to the immediately preceding paragraph, provide the full name, address, telephone number, and email address of such person or business, and provide a detailed description of the specific role played by each in prompting or generating the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650.

(3) Provide a detailed description of all aspects of each Respondent's participation in the solicitations, advertisements, and/or contacts that prompted, or otherwise related to, the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650.

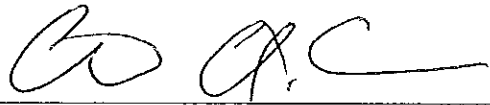
(4) Provide the full name, address, telephone number and email address of each person or business that provided one or more of the lead lists, prospect lists, or mailing lists used in connection with solicitations, advertisements, and/or contacts that prompted, or otherwise related to, the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650.

(5) For each person with an Iowa address whose check or letter was addressed to and received by *the entity* at any time after January 1, 2013 at PO Box 4675, Trenton, NJ 08650, provide all information in the possession or control of each Respondent relating to that person, including (without any limitation whatsoever) name, address, phone number, age, and total dollar amount received from that person during the specified period.

In lieu of appearing, Respondents may provide the above-described materials and/or information to the undersigned, accompanied by the required oaths, at or before the time and date set forth above, or at or before such alternative time and date as may be confirmed in writing between Respondents and the undersigned. In addition, each Respondent must either: Coordinate in submitting a single response for both Respondents, with each Respondent providing the required oath for that response; or submit a response for such Respondent alone (each with the required oath). IN ANY EVENT, Respondents are formally requested to preserve and maintain all information and material relating to the subject matter of this subpoena, unless and until otherwise agreed.

Witness my hand hereunto affixed this 21<sup>st</sup> day of May, 2015.

**TOM MILLER, ATTORNEY GENERAL OF IOWA**

By:   
Steve St. Clair  
Assistant Attorney General  
Hoover Building, 2<sup>nd</sup> Floor  
1305 East Walnut  
Des Moines, Iowa 50319  
Phone: (515) 281-5926  
Email: [steve.stclair@iowa.gov](mailto:steve.stclair@iowa.gov)

NOTICE OF INTENT TO PROCEED

Service of this subpoena and Notice of Intent to Proceed on you will also constitute your only notice, pursuant to Iowa Code § 714.16(6), that your failure to comply with this subpoena may result in application to the District Court for an order compelling a response to the subpoena and, additionally, for other relief provided by Iowa Code § 714.16(6).

Witness my hand hereunto affixed this 21<sup>st</sup> day of May, 2015.

**THOMAS J. MILLER, ATTORNEY GENERAL OF IOWA**

By:   
Steve St. Clair, Assistant Attorney General

**OATHS TO ACCOMPANY WRITTEN RESPONSE TO SUBPOENA**

I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
[name, printed],  
on behalf of T. Clements & Associates, Inc.

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Notary Public

I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
[name, printed],  
on behalf of TCA Mailing, Inc.

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Notary Public



I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Timothy J. Clements

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Notary Public

RECEIVED

15 JUN 15 PM 3:25

CLERK OF DISTRICT COURT

TCA Mailing, Inc  
180 Brighton Rd.  
Clifton, NJ 07012

June 12, 2015

Mr Steve St. Clair  
Iowa Attorney General's Office  
Hoover Bldg.  
Des Moines, IA 50319

Re: Subpeona to T. Clements & Associates, TCA  
Mailing, Inc., and Timothy J. Clements

Dear Mr. St. Clair:

This response is being submitted on behalf of TCA Mailing, Inc. Neither T. Clements & Associates or Timothy J. Clements in my individual capacity has any relation with the matters set forth in your subpoena and has no information to provide. Accordingly, as you requested:

Separately for each of the entities listed in A  
below, all information sought by B below:

A.

Josef v. J. (aka Joseph Von Jalen)

Walter Bishop  
Caterina La Cruz  
Eric Magnusson  
Golden Esoteric Society

**B.**

- (1) All solicitations, advertisements, and/or contacts that prompted, or otherwise related to, the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650, and all written, electronically stored, or other information in each Respondent's possession or control that identifies and/or relates to persons or businesses involved directly or indirectly in creating, developing, producing, or sending such solicitations, advertisements, or contacts.
- (2) For each person or business that was or should have been identified or referenced in the response to the immediately preceding paragraph, provide the full name, address, telephone number, and email address of such person or business, and provide a detailed description of the specific role played by each in prompting or generating the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650.
- (3) Provide a detailed description of all aspects of each Respondent's participation in the solicitations, advertisements, and/or contacts that prompted, or otherwise related to, the sending of checks or letters at any time after January 1, 2013 to *the entity* at PO Box 4675, Trenton, NJ 08650.

**RESPONSE TO B (1) (2) AND (3):**

TCA Mailing ("TCA") provides data entry and fulfillment services for Regency Direct Marketing AG, the marketer of promotions relating to the names set forth in item A. TCA provides its services pursuant to a written Agreement dated October 1, 2011, a copy of which is attached.

TCA has nothing to do with the creation of any advertising or with developing, producing or sending such solicitations or advertisements. TCA receives the mail, data enters the customer's information into a software system provided and owned by Regency and transmits that information directly to Regency via FTP-Server. The data is forwarded on the same day it is entered. TCA takes checks or other payments submitted by the customer and sends them to Regency's bank for deposit. TCA then mails the fulfillment materials prepared by Regency to the customer.

(4) Provide the full name, address, telephone number and email address of each person or business that provided one or more of the lead lists, prospect lists, or mailing lists used in connection with solicitations, advertisements, and/or contacts that prompted, or otherwise related to, the sending of checks or letters at any time after January 1, 2013 to the entity at PO Box 4675, Trenton, NJ 08650.

**RESPONSE TO B(4):**

TCA has nothing to do with any lists that are used to solicit customers and thus cannot answer this request.

(5) For each person with an Iowa address whose check or letter was addressed to and received by the entity at any time after January 1, 2013 at PO Box 4675, Trenton, NJ 08650, provide all information in the possession or control of each Respondent relating to that person, including (without any limitation whatsoever) name, address, phone number, age, and total dollar amount received from that person during the specified period.

**RESPONSE TO B (5):**

TCA does not maintain records of the name and address of customers from Iowa or elsewhere. As previously noted, it sends the customers' checks to Regency's bank for deposit and fulfills the order.

It does not receive the customers' phone numbers or age.

Should you have any questions, please contact our attorneys Sheldon or Andrew Lustigman at Olshan Frome Wolosky, LLP. Their address is 65 East 55<sup>th</sup> Street, New York, NY 10022. Telephone number 212 451 2300.

Very truly yours,

Timothy J. Clements

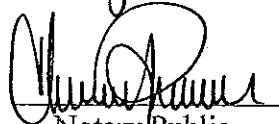
**OATHS TO ACCOMPANY WRITTEN RESPONSE TO SUBPOENA**

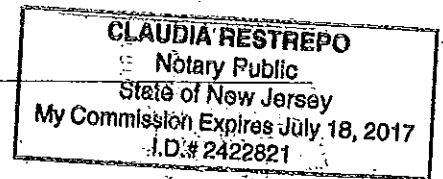
I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this 12 day of JUNE, 2015.

  
Timothy Clement [name, printed],  
on behalf of T. Clements & Associates, Inc.


Subscribed and sworn to before me this 12 day of JUNE, 2015.

  
Notary Public

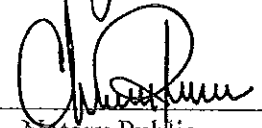


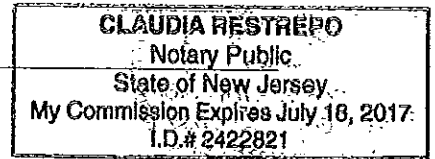
I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this 12 day of June, 2015.

  
\_\_\_\_\_  
Timothy Clements [name, printed],  
on behalf of TCA Mailing, Inc.

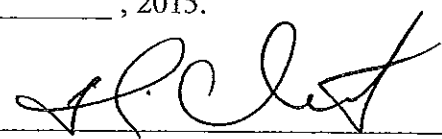
Subscribed and sworn to before me this 12 day of June, 2015.

  
\_\_\_\_\_  
Notary Public




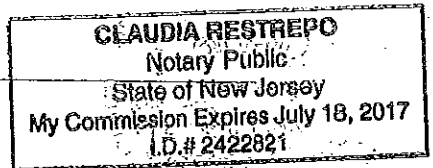
I certify under penalty of perjury that the responses submitted by the undersigned to Subpoena No. 2444 are true and complete to the best of my knowledge.

Dated this 12 day of June, 2015.

  
\_\_\_\_\_  
Timothy J. Clements

Subscribed and sworn to before me this 12 day of June, 2015.

  
\_\_\_\_\_  
Notary Public





## AGREEMENT FOR DATA ENTRY AND FULFILLMENT SERVICES

This Service agreement is made on 1st of October 2011 by and between

Regency Direct Marketing AG  
Welbigring 42  
8954 Geroldswil  
Switzerland

- referred to as RDM -

and

TCA Mailing, Inc.  
400 Gotham Parkway  
Carlstadt, NJ 07072  
USA

- referred to as TCA -

In consideration of the mutual terms, conditions and covenants hereinafter set forth, the parties agree as follows:

### I. GENERAL

- 1.1 The purpose of the Service agreement shall be to carry out data entry and fulfillment services for RDM.

### II. DATA ENTRY SERVICES

- 2.1 TCA will take care of the incoming orders and inquiries for RDM.
- 2.2 TCA will be responsible for data entry of incoming orders and payments for RDM. It is understood that orders have to be entered within 24 hours after TCA receives them. In case of any delay of more than 24 hours between receiving orders and entry of the orders, TCA has to notify RDM immediately. Exceptions are weekends and bank holidays.
- 2.3 TCA will be responsible for the expeditious transfer of the data to the RDM data processing center in Switzerland via FTP Server. It is understood that forwarding of data has to be performed on the same day that the data has been entered.
- 2.4 TCA will be responsible for the dispatch of customer checks to a bank which will be assigned by RDM.
- 2.5 TCA will be responsible for the weekly issuing and dispatch of customer payment reminders.
- 2.6 TCA will be responsible for the daily handling of customer returns/cancellations.
- 2.7 TCA has to issue customer credit payments on a daily basis.

**III. FULFILLMENT SERVICES**

TCA will fulfill orders for RDM:

- 3.1 TCA will package and envelope products and invoices for RDM's customer orders. The products and the printing paper will be furnished by RDM, at TCA's disposal.
- 3.2 TCA will printout documents from data which it receives via FTP-server from the data-processing center of RDM.
- 3.3 TCA will print the astrological documents and the cover letters on laser printers using programs and data furnished by RDM. The printing paper for the documents will be furnished by RDM, at TCA's disposal.
- 3.4 TCA will be responsible for expeditious enveloping and shipping of the documents. In case of any delay of more than 24 hours between receiving data and shipping of the astrological documents (delivery to post office) TCA has to notify RDM immediately. Exceptions are weekends and bank holidays, when post offices are closed.

**IV. COMPENSATION**

- 4.1 \$0.55 per order entered.
- 4.2 \$0.20 per entry of a customer payment / refund.
- 4.3 \$0.05 per customer check handled.
- 4.4 \$0.09 per reminder/refund - printing, enveloping and dispatch - (Postage, envelopes and paper will be reimbursed by RDM).
- 4.5 \$0.80 for each fulfilled product. The compensation includes also enveloping and delivery to the post office. The compensation does not include purchase of envelopes and postage, which expenses will be reimbursed to TCA.

**V. PROHIBITIONS**

- 5.1 TCA is not allowed to store RDM customer data on its own PC system / network. Fulfilled customer records have to be deleted on a daily basis.
- 5.2 TCA shall not divulge to any person, firm or firms, corporation or corporations, any trade secret having to do with the business of RDM, that come to the knowledge of TCA by reason of this agreement and the relationship of TCA and RDM, created by this agreement, during the term of this agreement and for 5 years after the termination of this agreement.
- 5.3 TCA shall not operate any direct mailing business in the esoteric market by himself, as a shareholder or employee in a firm or corporation during the term of this agreement and for 5 years after the termination of this agreement.

**VI. MISCELLANEOUS**

- 6.1 Arbitration. If any controversy or claim arising out of this agreement cannot be settled by the partners, the controversy or claims shall be settled by arbitration, in accordance with the rules of the Arbitration Regulations of Zürich, Switzerland then in effect and judgement on the award may be entered in any court having jurisdiction.
- 6.2 Governing Law. This agreement shall be enforced and construed under and shall be subject to laws of Zürich, Switzerland. If any provision of this agreement shall be unlawful, void or unenforceable,

Data Entry and Fulfillment Services Agreement 13

that provision shall be deemed separate from and in no way shall affect the validity or enforceability of the remaining provisions of this agreement.

**VII. TERMINATION OF CONTRACT**

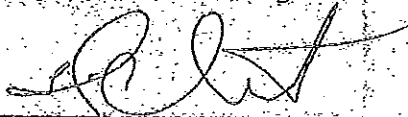
- 7.1 This agreement may be terminated, at will, at any time and without cause, by either party upon 60 days written notice to the other.

Dated: 1st of October 2011



Gianni Azzan  
Owner  
Regency Direct Marketing AG

Dated: 1st of October 2011



Tim Clements  
Owner  
TCA Mailing Inc.

**Stclair, Steven [AG]**

---

**From:** Stclair, Steven [AG]  
**Sent:** Wednesday, June 17, 2015 9:09 AM  
**To:** 'slustigman@olshanlaw.com'; 'alustigman@olshanlaw.com'  
**Subject:** TCA Mailing, Inc. (TCA) et al.

Counsel:

We are in receipt of the response by TCA et al. to Subpoena No. 2444 ("the subpoena"). I am writing to note instances in which information sought by the subpoena was not provided, so that the Respondents have an opportunity to supplement their response.

PLEASE NOTE that the subpoena response stated: "Should you have any questions, please contact our attorneys Sheldon or Andrew Lustigman . . ." Technically, we do not have any questions at this juncture; instead, we are pointing out apparent discrepancies in the subpoena response, for Respondents' consideration and (it is to be hoped) supplementation. Nevertheless, we are routing this to counsel, with the understanding that if Respondents wish to continue dealing with our office directly at this stage we will be informed of that fact.

Paragraph B(1): Paragraph B(1) sought various solicitations, communications, and other materials to the extent that such materials are in a Respondent's possession or control. (Please note that this, and subsequent, shorthand characterizations of what a paragraph sought do not limit the requests or narrow the language of the subpoena paragraph itself.) The response does not address whether or not Respondents have any of the requested information or materials; instead, the response provides a description of what TCA does, and does not do, for Regency. For example (and without limitation), paragraph (1) seeks all written, electronically stored, and other information that relates to the business that solicits the checks that arrive at the PO Box in question – which would evidently be Regency. Respondents presumably have a great deal of written, electronically stored, and other information relating to Regency, presumably including many emails and other communications, examples of solicitations, fulfillment materials, invoices, data entry instructions, delinquent payment records, "payment reminder" templates, customer service data, astrological records and cover letters, etc.

Paragraph B(1) also sought whatever materials or information identify or relate to persons or businesses involved (directly or indirectly) "in creating, developing, producing, or sending such solicitations, advertisements or contacts." Although it is possible that TCA has worked with Regency since at least October of 2011 without ever learning of such other entities – such as whatever entities are involved with the design and/or printing of solicitations, solicitation mailing, payment processing, banking, etc. – that appears unlikely.

Paragraph B(1) needs to be forthrightly addressed, and all responsive information and materials provided.

Paragraph B(2): This paragraph sought contact information for the persons or businesses that B(1) sought to identify, which would include Regency and Mr. Azzan (and whatever other entities are identified in a supplemented treatment of paragraph B(1)), as well as a detailed description of the role of each in prompting or generating the mailing by consumers of checks or letters to the PO Box in question. The summary of activity that was provided by Respondents outlines Regency's role in general terms, but says nothing of the role of Mr. Azzan or whatever other entities are yet to be identified. Nor have Respondents provided all of the requested contact information even for Regency and Mr. Azzan, such as telephone numbers and email addresses.

Paragraph B(2) needs to be supplemented to provide all descriptive and contact information sought, for each entity that B(1) sought to identify.

Paragraph B(3): This paragraph requested a detailed description of each Respondent's participation. The introductory paragraph of the response letter indicates that Respondents other than TCA have no relation to the matters addressed in the subpoena and have no information to provide, and the subsequent description of activities refers exclusively to TCA. Please note, however, that under Iowa law an individual's direct participation in a corporation's activities do not insulate the individual from responsibility if the activities in question violate Iowa's Consumer Fraud Act. Given that fact, we respectfully submit that supplementation may be appropriate in order to describe (at minimum) the role of Mr. Clements and to provide whatever additional responsive information he may have, if any.

Paragraph B(4): This paragraph sought certain information relating to lead lists, including the identity of persons or businesses that provided lists used for Regency's solicitation mailings. Responding that "TCA has nothing to do with the lists that are used to solicit customers" is not a complete and forthright response. The question is whether TCA (or another Respondent) is able to identify the entity(ies) that provided lists during the period in question. Please supplement the response to address that issue.

Paragraph B(5): This paragraph sought customer information. Asserting that "TCA does not maintain records of the name and address of customers from Iowa or elsewhere" does not appear to be a complete and forthright response. Whether or not TCA "maintains" such records on a continuing basis, at any given point in time (including the period of time after service of the subpoena on June 1, 2015) Respondents almost certainly have some customer records. Indeed, it is not easy to see how TCA performs an ongoing fulfillment role, as well as performing other assigned duties, without customer names and addresses. The fact that TCA is to delete fulfilled customer records on a daily basis pursuant to the Agreement with Regency (§ 5.1) means that TCA does in fact possess such records on a regular basis, which records could be provided in response to a duly authorized subpoena. Similarly, the Regency Agreement indicates that TCA is responsible for "the dispatch of customer checks" (§ 2.4), "the weekly issuing and dispatch of customer payment reminders" (§ 2.5), "the daily handling of customer returns/cancelations" (§ 2.6), and the issuance of "customer credit payments on a daily basis" (§ 2.7). All of these functions presumably require customer records responsive to the subpoena. Accordingly, please supplement the response to paragraph B(5).

Please let me know on or before Monday, June 22, 2015 whether Respondents do intend to supplement their response to the subpoena. If Respondents do intend to supplement, we request that they do so on or before Tuesday, July 6, 2015.

NOTICE OF INTENT TO PROCEED – Please review the Notice of Intent to Proceed on page 3 of the subpoena, which is repeated and renewed by this reference.

Thank you for your time and attention.

Steve St. Clair  
Assistant Attorney General  
Consumer Protection Division  
Hoover Building, 2<sup>nd</sup> Floor  
1305 East Walnut  
Des Moines, Iowa 50319  
Division phone: (515) 281-5926  
Direct line: (515) 281-3731  
Fax: (515) 281-6771

**Stclair, Steven [AG]**

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**From:** Stclair, Steven [AG]  
**Sent:** Monday, July 27, 2015 4:06 PM  
**To:** Lustigman, Sheldon S.  
**Subject:** RE: CID's

Our administrative rules provide that in responding your client may request confidential treatment for certain materials deemed to warrant such treatment, as trade secrets or otherwise. We typically at that point receive the materials with the assertion of confidentiality, but we defer making a determination as to whether confidential status is warranted, until such time, if ever, as a public records request or other event that might result in release of the information arises. At that point, if confidential status is denied, you would be so informed and would have an opportunity to seek judicial intervention to protect the confidential status. This procedure provides ample protection, in our view. Thanks – Steve

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From: Lustigman, Sheldon S. [SLustigman@olshanlaw.com]  
Sent: Monday, July 27, 2015 3:06 PM  
To: Stclair, Steven [AG]  
Cc: Lustigman, Andrew B.  
Subject: CID's

Steve,  
We are working with our clients to obtain the information that you requested regarding psychic and sweepstakes promotions. However, it appears that much of the information contains confidential financial information and/or trade secrets. What is the procedure that you office follows to assure the confidentiality of such materials? Thanks and regards.  
Shelly

Sheldon S. Lustigman

OLSHAN

OLSHAN FROME WOLOSKY LLP  
Park Avenue Tower  
65 East 55th Street  
New York, NY 10022  
Direct: 212.451.2262  
Facsimile: 212.451.2222  
Email: [SLustigman@olshanlaw.com](mailto:SLustigman@olshanlaw.com)  
Web: [www.olshanlaw.com](http://www.olshanlaw.com)

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O L S H A N

PARK AVENUE TOWER • 65 EAST 55TH STREET • NEW YORK, NEW YORK 10022  
TELEPHONE: 212.451.2300 • FACSIMILE: 212.451.2222

EMAIL: SLUSTIGMAN@OLSHANLAW.COM  
DIRECT DIAL: 212.451.2262

August 3, 2015

**BY EMAIL AND REGULAR MAIL**

Steve St. Clair, Esq.  
Iowa State Attorney Generals' Office  
Hoover Bldg.  
Des Moines, IA 50319

Re: TCA Mailing, Inc., et. al.

Dear Mr. St. Clair:

This letter will serve as a response to your email dated June 17, 2015 requesting clarification and possible supplementation of TCA's response to the Subpoena.

- A. Paragraph B (1) – You have asked whether Respondents have any of the information or materials requested. We are advised that they do not. All electronically stored information has been sent to Regency at its direction. TCA no longer does data entry for any of the offers. Nor does it any longer send the checks to Regency's bank or perform any caging services. Rather all mail received is forwarded unopened at Regency's request to Regency's agent:

Trends Service in Kommunikatie B.V.  
Zonnebaan 54  
3542 EG Utrecht  
The Netherlands.

Thus Respondents do not have any of the written, electronically stored or other information that relates to the business that solicits the checks that arrive at the PO Box in question. They do not have copies of any fulfillment materials or data entry instructions. In so far as delinquent payment records the file is sent to TCA from Regency which mails the reminder notice. However, we are advised that since the date of the subpoena, no mailings or contact with any Iowa resident has been made.

- B. Delinquent payment records are not stored at TCA. All customer service is handled directly by Regency. No astrological records were provided to TCA. TCA has no customer records
- C. As you were previously advised, TCA was not involved, directly or indirectly "in creating, developing, producing or sending such solicitations, advertisement s or contracts" We are advised that the same is true for Mr. Clements, whose only



July 29, 2015

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involvement is that he owns TCA. We are advised that Respondents have no information regarding the design and/or printing, mailing of the solicitations.

- D. As far as payment processing is concerned, prior to mid June of last month, TCA opened the mail and sent the checks to PacNet Services Ltd, 595 Howe Street Vancouver BC V6C 2T5, Canada. Since that time, at Regency's direction, all mail and check s are sent directly to Regency's agent, Trends Service in kommunikatie B.V., as noted above.
- E. With regard to contact information requested, we are advised:
- F. TCA's CLIENT:  
Regency Direct Marketing AG  
ATTN: Gianni Azzan  
Welbrigring 42  
8954 Geroldswil  
Switzerland  
[azzan@regency-direct-marketing.com](mailto:azzan@regency-direct-marketing.com)

TCA has received material from the following companies:

Quindao Higua Trade Co., Ltd.  
49 Qutangxia Road  
Qingdao  
China

Envelopes.com  
5300 New Horizons Blvd  
Amityville, NY 11701

LabelValue.com  
5704 W. Sligh Avenue  
Tampa, FL 33634

Papermart  
2164 N Batavia St.  
Orange, CA 92865

SKS Bottle & Packaging Inc.  
2600 7th Avenue  
Building 60 West  
Watervliet, NY 12189

Staples Fulfillment Center  
600 Jefferson Avenue  
Secaucus, NJ 07094

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As you were previously advised, TCA merely acted in a clerical capacity on behalf of its client Regency. It had no part in creating or mailing any of the advertisements that your office is concerned about.

I trust that the foregoing is sufficient for you to close your file in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Sheldon S. Lustigman", written in a cursive style.

Sheldon S. Lustigman

SSL: SSL