Case 4:07-tc-05000 Document 65-2 Filed 08/20/2007 Page 1 of 39

IN THE SUPERIOR/STATE COURT OF MUSCOGEE COUNTY

STATE OF GEORGIA

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attorney, whose name and	address is: Jo	hn W. Roper O. Box 429 lumbus, Georgi		o serve upon me Plaintiin'i
TO THE ABOVE NAMED You are hereby summ		d to file with the Cle	rk of said court ar	CLERK SUPERIOR/STATE COURT Id serve upon the Plaintiff's
TO THE ADOVE MAKED	DEFENDANT	SUMMONS		DEPUTY COURT
KEVIN BELL, and	BETH BELL			AT
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MILLER, ROBERT C				FILED IN OFFICE
PEGGY BRITT, PAU				GEORGIA, MUSCOGEE COUNTY SUPERIOR/STATE COURT
BRITT WORLDWIDE.	LLC, BILL B	RITT.	e .	
vs.				
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Instructions: Attach addendum sheet for additional parties if needed, make notation on this sheet if addendum sheet is used.



IN THE STATE COURT OF MUSCOGEE COUNTY STATE OF GEORGIA

AT 17 2007

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DEPUTY

CLERK SUPERIORISTATE COURT

INTERNET BUSINESS SOLUTIONS, INC.*
PLAINTIFF

v.

BRITT WORLDWIDE, LLC, BILL BRITT PEGGY BRITT, PAUL MILLER, LESLIE MILLER, ROBERT COVINGTON, BELL INTERNATIONAL, INC., KEVIN BELL, and BETH BELL

DEFENDANTS

CIVIL ACTION

SC07CV 1465

FILE NO:

Breach of contract, Tortious interference with contractual relations, Violation of Georgia Racketeer Influence and Corrupt Organizations Act, Fraud, Conspiracy to commit fraud

COMPLAINT

COMES NOW International Business Solutions, Inc., hereinafter designated and referred to as "Plaintiff", and brings this its action for relief pursuant to matters set forth as captioned above, as against Britt Worldwide, LLC, hereinafter "BWW", Bill Britt, hereinafter "B Britt", Peggy Britt, hereinafter "P Britt", Paul Miller, hereinafter "P Miller", Debbie Miller, hereinafter "L Miller", Rocky Covington, hereinafter "Covington", Bell International, Inc., hereinafter "BI", Kevin Bell, hereinafter "K Bell", and Beth Bell, hereinafter "B Bell", all hereinafter designated and referred to as named Defendant or collectively as Defendants, and for cause shows as follows:

- A. Plaintiff is a corporate citizen of the State of Georgia, doing and transacting business in Georgia, and worldwide, at all times germane hereto having had plant facilities in Georgia as well as offices directly in Muscogee County, Georgia, and is subject to the jurisdiction of this Court.
- B. Defendant BWW is a limited liability company organized under the laws of the State of Washington and doing business regularly throughout the State of Georgia. Defendant BWW, as the alter ego of B Britt and P Britt is the upline "line of sponsorship", of Defendants P Miller and D Miller, Defendant Covington, Defendant BI, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders of Plaintiff.
- C. Defendant B Britt is a resident of the State of Florida, has directly transacted business in Muscogee County, Georgia through his relationship with the various Defendants who used and employed the mere instrumentality or device of the Defendant BWW, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendant BWW, the corporate veil of BWW should be pierced, and both personal corporate assets should made available for payment of any judgment obtained.

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Further, Defendant B Britt is an owner of Defendant BWW, American Multimedia International and Britt Management, Inc., which are in the "tools and functions" business and which all do business throughout the State of Georgia. Defendant B Britt is the upline "line of sponsorship" of Defendants P Miller and L Miller, Defendant Covington, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders.

- D. Defendant P Britt is a resident of the State of North Carolina, has directly transacted business in Muscogee County, Georgia through her relationship with the various Defendants who used and employed the mere instrumentality or device of the Defendant BWW, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendant BWW, the corporate veil of BWW should be pierced, and both personal corporate assets should made available for payment of any judgment obtained. Further, Defendant P Britt is an owner of Defendant BWW, American Multimedia International, and Britt Management, Inc., which are in the "tools and functions" business and which all do business throughout the State of Georgia. Defendant P Britt is the upline "line of sponsorship" of Defendants P Miller and L Miller, Defendant Covington, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders.
- E. Defendant P Miller is a resident of the State of South Carolina but does business in the State of Georgia directly and through his relationships with the various Defendants and purposefully has directly or indirectly used such relationships to accomplish fraudulent or tortious purposes. Defendant P Miller is the upline "line of sponsorship" of Defendant Covington, and Defendants K Bell and B Bell. Defendant P Miller is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- F. Defendant L Miller is a resident of the State of North Carolina but does business in the State of Georgia directly and through her relationships with the various Defendants. Defendant L Miller was at all times relevant hereto copartner of Defendant P Miller and is directly liable for fraudulent and tortious acts accomplished in the State of Georgia. Defendant L Miller is the upline "line of sponsorship" of Defendant Covington, and Defendants K Bell and B Bell. Defendant L Miller is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- G. Defendant Covington is a resident of the State of South Carolina but does business in the State of Georgia directly and through his relationships with the various Defendants. Defendant Covington is the upline "line of sponsorship" of Henry Skaggs, majority stockholder of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.

- H. Defendant BI is a North Carolina corporation but directly does business in the State of Georgia through its activities and relationships with the various Defendants. It is the alter ego of K Bell and B Bell who used it as the merc instrumentality or device of the Defendants K Bell and B Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendants K Bell and B Bell, the corporate veil of BI should be pierced, and both personal corporate assets should made available for payment of any judgment obtained.
- I. Defendant K Bell is a resident of the State of North Carolina, has directly transacted business in Muscogee County, Georgia through his alter ego of BI, used as the mere instrumentality or device of the Defendants Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes as to Plaintiff, and as nominee of Defendant BI, the corporate veil of BI should be pierced, and both personal and corporate assets should be made available for payment of any judgment obtained. Further, Defendant K Bell is an owner of Defendant BI, is in the "tools and functions" business and all business operations of K Bell do business throughout the State of Georgia. Defendant K Bell is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- J. Defendant B Bell is a resident of the State of North Carolina and has worked together with Defendant K Bell to develop her business interest through their relationships with the various Defendants personally and of BI, is the alter ego of BI who used as the mere instrumentality or device of the Defendants Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes as to Plaintiff, and as nominee of Defendant BI, the corporate veil of BI should be pierced, and both personal and corporate assets should made available for payment of any judgment obtained. Further, Defendant B Bell is an owner of Defendant BI, is in the "tools and functions" business and all business operations of K Bell do business throughout the State of Georgia. Defendant B Bell is the upline "line of sponsorship" of Henry Skaggs, owner of Plaintiff. wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.

The above named Defendants, and each of them, have had sufficient and continuous contact with the State of Georgia, they have actively and continuously visited the State of Georgia, promoted their business, sold products in Georgia, and promoted their tools and transactions businesses in the State of Georgia and promoted their "lines of sponsorship" within the state.

JURISDICTION AND VENUE

All Defendants, and each of them, including the corporate Defendants have engaged in business and/or have committed tortious acts in the State of Georgia. All Defendants and each of them have personally entered the State of Georgia for the direct reason of developing their business interests, promoting their interests and building independent business ownerships within their line of sponsorship. The individual Defendants have engaged in continuous and systematic business in this state and have committed tortious acts in this state. The actions giving rise to this lawsuit were taken by Defendants at least in part in Georgia. Defendants have maintained sufficient and continuous contacts with this state and are therefore subject to personal jurisdiction pursuant to O.C.G.A. § 9-10-91(a) and (b) and venue is proper in the State Court of Muscogee County because a substantial number of the acts and transactions that gave rise to the claims of the Plaintiff occurred within Muscogee County, Georgia, and that Muscogee County, Georgia, housed the corporate offices and registered agent of Plaintiff. Venue is appropriate in the Sate Court of Muscogee County by virtue of the above facts.

FACTUAL BACKGROUND

Alticor, Inc. manufactures and distributes a wide variety of consumer household products which it sells through a worldwide network of hundreds of thousands of independent distributors affiliated with its agency Quixtar, Inc. (hereinafter Quixtar), formerly known as Amway Corporation. The Quixtar sales and marketing plan provides a mechanism by which an individual distributor called an independent business owner or "IBO" can generate an income from profits from the sale of Quixtar goods or goods and services of other major companies with which Quixtar has partnered and the generation of said income benefits not only the IBO but financially benefits Alticor as well.

Distributorships align themselves within a hierarchy of "pin levels" in the Quixtar distributorship mechanism. In Quixtar parlance, those who occupy positions below a distributor, that is they were brought into the business by the distributor, or by persons who were brought in by the distributor, are known as downline. The distributors to whom the downline look for goods and services are called upline. In order to earn significant profits in a Quixtar distributorship, one must develop a sizeable downline organization by recruiting and sponsoring other distributors into the Quixtar sales organization. Distributorship pin levels have names, and the attainment of such levels is associated with sales volume produced. At the lowest level in the hierarchy, is the individual distributor, or independent business owner who is recruited into the organization by a "sponsor" or first level upline. If an IBO drops out of business, then that IBO's downline will then be part of the immediate upline's organization.

If the distributor holds the "Direct" volume level for six months, the distributorship achieves the pin of "Gold Direct". After qualifying at that level for twelve consecutive months (Q-12), the distributor becomes known as a Q-12 or "Platinum Direct". This results in economic benefit to the distributorship, and serves as a public recognition of the distributors financial and business success.

When a person earns the title of Direct Distributor, their upline are said to have "broken a Direct" because the new direct distributor's business volume is no longer included in the volume of the upline for volume related income purposes but the upline earns a four percent (4%) bonus on the new direct's volume all the way downline to the next Direct Distributor.

A distributor's various personally sponsored IBO's are called "width" and their downline lines of sponsorship are referred to as "legs" or "depth". Simplistically speaking, when a distributorship "breaks" three direct distributors (that is a direct distributor from three different legs), that distributorship achieves the "Emerald pin level". The term "pin" refers to the lapel device that IBO's are entitled to wear that signifies the number of downline legs that have been broken as Directs. The Emerald pin distributorship earns bonuses called "Emerald bonus" and even more if they Q-12. If they maintain three downline directs that Q-12, they become a "Founders Emerald". Upon breaking six direct legs, a distributorship becomes a "Diamond Direct" and those operating at that level are known as "Diamonds". Diamonds receive a Diamond bonus, which can be quite substantial, but they also receive Emerald bonuses since a Diamond is also an Emerald. It is then possible to break more directs and become a Double Diamond, with twelve, a Triple Diamond with eighteen, and a Crown direct distributor with twenty direct legs. Each of those pin levels generates its own bonus in addition to the distributorship retaining its bonus from the pin levels previously achieved. The Crown Ambassador is required to break twenty Platinum direct legs or otherwise qualify through a point system. A Founders Crown Ambassador is required to break twenty Founders Platinum, or Q-12, legs.

Defendant Britt is a "Founders Crown Ambassador," Defendant Miller is a "Crown," Defendant Covington is an "Executive Diamond" or has broken nine direct legs, and Defendants K Bell and B Bell are "Diamonds". Henry Skaggs, majority stockholder of Plaintiff, is a "Founders Emerald". Defendants Britt and BWW have developed one of the largest downline distribution networks in the world, hence one of the most financially productive networks for Ouixtar.

The goal of the distributor is to develop downline who will not deviate from extremely well developed marketing programs of the higher pin levels or "the system". Additionally, in the Britt organization, family and spiritual values are promoted intensely and downline are encouraged to "counsel" with their immediate upline not only on business matters but family matters, personal economic matters, marital matters, and all aspects of their social endeavors with their immediate upline. If their upline drops out of the business, then they counsel with the next upline, or in any event, the next "growing" upline if they are unable to benefit from counseling with stagnant upline distributorships. The "business system" demands absolute loyalty and edification of upline distributors to the point of Deification.

There is virtually an air of progressive infallibility about higher pin levels. Much greater respect is accorded pin levels as they become progressively higher. It is rightfully assumed that a person who has developed a Diamondship has more to offer from experience on how to become a Diamond than one who is but an Emerald. The structure makes possible the outcome that very productive Emeraldships may be much more financially lucrative than less productive Diamondships. Many times Emeralds have downline Diamonds who continue to edify their upline Emerald but whose downline typically would take counsel on how to be a Diamond from the one that is a Diamond. Edification, family values, pin level and influence create the setting from which the following facts and causes of action arise.

The business system is sound, successful, and beneficial to thousands of individuals who have followed the sales and marketing plan of Quixtar or as it has been implemented by individual "Kingpin" distributorships that are typically very large, generate tens of millions of dollars in annual income and sales and beyond whom no one in the downline organization looks for business assistance, counseling or development. Britt Worldwide is such an organization and Defendants B Britt and P Britt command and demand unwavering loyalty and wield enormous power and influence over the thoughts, actions, lives, and business success of all in his downline organization. To assure consistency, actively developing upline pins are deemed to speak and act through the direction, control and energy of the next higher pin in their organization. While the individual distributorship is called an independent business owner, the truth is that they are codependent on the pin levels up to the Kingpin distributor.

Although the sales and marketing of consumer household products through this system can yield large incomes, and has created vast fortunes for distributors, a major component of the business model is based on social relationships, inspiration and motivation. To that end, the Kingpin distributorships have created a collateral distribution system to market business development aids, known as "tools" in the business. The brain and intellect are the source of all behavior and the object of using tools is to build mental habits, traits, and personal relationships that are usually essential to business success and cut off those that are not. Tools are such items as motivational tapes or compact discs, both video and audio, books, self-improvement books, and communication devices all calculated to program the individual to receive positive expectancy and to eliminate negative spirit. Distributors are encouraged, verily pressured, to enroll in a "standing order program" from which they will receive periodic books, tapes or CDs from their upline. Typically, the audio and visual mechanisms and devices are inspirational messages and presentations from successful IBOs in the Kingpin's distributorship. Diamonds make them. Emeralds make them. Higher pins make them, and in the case of Britt Worldwide, they are produced by American Multimedia International, another Britt organization.

To be part of the family, distributors are "counseled" that they will likely not be successful if they do not enroll in standing order and attend what are known as "functions" at different times of the year whereby thousands of distributors gather together, bond, bond with other distributors in their upline, listen to hours of inspirational presentations from higher pin levels from a stage, become inundated and indoctrinated with information about habits common to marketing business success, and perhaps attend a huge worship service as well. It is at these functions that strong relationships are formed and one factor important in downline counseling is the number of that downline's distributors who are coming to functions. Between functions, there may be one or more mini regional functions called "rallies" where distributors gather and hear from higher pins in the business. Public recognition is had for achievement and inspirational presentation may be given and a business teaching session might typically be had. Bread is broken. Songs are sung. Fellowship and fun are had. Excitement is generated and the fundamental value promoted is freedom. That includes, but is not limited to, freedom from employment demands, freedom from debt, freedom to make quality choices available only with financial means and downline distributors are able to be in close proximity and on a first name basis with higher pins who typically display indicia of wealth (often indicia of very good personal credit), and independent business owners return to their homes prepared to market more products and place more persons on standing order and persuade more persons to come to and pay for functions.

The Kingpin distributorships have been enormously successful and have themselves created many multimillionaires downline. The successful operation has enabled millions of persons to develop the habit of thinking positively about their own circumstances and has brought benefit into the life of those, even, who do not continue in the business by virtue of their exposure to success principals.

Although it is possible to achieve a very good income and indeed achieve financial freedom from the marketing of consumer products, in many cases, the marketing of tools downline is more lucrative to the higher pins than income from the sale of products. Marketing tools and participation in inspiration through functions and rallies is quite lucrative.

The mechanism for distributing tools created and marketed by or through Defendants Britt and their interests was not meeting the demands of their organization. thus the need to establish a distribution system to assist with delivery and accountability. thus the need to engage Plaintiff to develop its software.

It was the upline-downline network connection and expectations that Defendants abused to destroy the Plaintiff's customer base in order to gain private ends not competitive with Plaintiff. The destruction of Skaggs' consumer product distributorship business interests and income associated with it are not an actionable part of this litigation.

Henry Skaggs implemented the Britt plan and followed it to the letter in the building of an extremely successful Founders Emerald distributorship which became a major component of an upline Diamondship, Bell, which was a major business component of Defendant Covington's downline organization.

FACTS GIVING RISE TO THE INSTANT PETITION

1.

On or about May 1992 Henry and Sue Skaggs were sponsored (recruited) into the downline organization of Defendant K Bell and B Bell. Skaggs, at that time, was a soldier in the United States Army stationed at Ft. Benning (Columbus), Georgia.

Within a very short time, The Skaggs achieved the pin level of Gold Direct and continued to build the business to the point of Founders Emerald. Then Skaggs developed a rather substantial downline organization who looked to them for guidance. counsel, teaching and assistance in building their own downline organizations.

When the Skaggs became a Platinum Direct distributor, they were allowed to participate in tools distribution and began to develop an income from the sale of tools to their downline organization.

The Skaggs were instrumental in helping two of his "legs" to achieve the level of Emerald direct distributor. The Skaggs eventually incorporated three separate business divisions to facilitate operations. (1) Skaggs International, Inc., for the purpose of developing downline and product volume sales; (2) Skaggs Business Systems, developed solely for the purpose of marketing tools, supplemental business building devices; and (3) Internet Business Solutions, Inc., a software development firm.

5.

The Skaggs, not employed by Defendant Bell, but nevertheless the most productive economic unit within the Bell organizations, spotted a need to increase the efficiency of distribution of the supplemental business systems, or tools and payment therefore to make it even more profitable.

6.

At the time, downline were required to get their tools from the next upline, who might be across the country. That would require downline either having to make a trip to the post office to acquire tools to distribute to their downline or to meet with their highest distributor level at any leg at a point or deliver to the highest distributor in a leg at any point the various tools. The process was unwieldy, consuming time, and creating delays, and provided no mechanism to correctly calculate state taxes.

In the Skaggs case, their IBO needed to distribute thousands of individual tools and provide for their redistribution within the space of every week. The idea of direct fulfillment of distributors tool needs was seen to have significant potential to streamline operations and to create a profitable enterprise itself.

Because downline distributors in the Britt line of sponsorship (or any Kingpin line) rarely make a major commitment of any kind without counseling with their upline, Skaggs had thoroughly counseled and discussed the matter of development of direct fulfillment software with Defendants K Bell and B Bell and Defendant Covington and ultimately received the blessing of Defendants Miller and Britt, who were interested in the utility of the direct fulfillment concept and agreed with Plaintiff that it posed yet another way to make money through the sale of subscriptions to Plaintiff's service, in which they would share.

9.

Plaintiff Internet Business Solutions was formed with an eye toward "direct fulfillment" of orders such that all orders and payment or tools in a downline organization could come through Internet based software and therefore allow much more time for developing the downline's product marketing business.

10.

As Skaggs' economic resources for a project of this magnitude were somewhat limited, after taking the idea through his upline organization, it was necessary to make them aware that he would have to acquire borrowed resources and funds to develop the software and pay the people who were working on the project. Because of the potential profitability, all upline Defendants instructed Skaggs to proceed through Plaintiff and Defendant Bell even loaned Plaintiff \$50,000.00 in furtherance of raising needed resources.

11.

Plaintiff was directed by Defendant Britt personally to commit to broaden the operating capability of the system, to test the system in the Bell organization and in the organization of a massive volume producing leg of the Britt organization to be able to gear up to serve one of Britt's most productive legs, the Rex Renfrow organization.

12.

Plaintiff, with the encouragement of Defendants, who intended to implement the software program Britt Wide with an eye toward probability of eventually generating ten to twenty million dollars in monthly subscription sales, then began borrowing money and to pay for software engineers, creative persons and the like and in time made it available to the entire Skaggs organization at a subscriptions price which generated enough cash flow for the operation to break even.

Britt, convinced that the system had merit, worked well, and reduced substantial time and expense in the distribution system for tools, told Plaintiff to develop it to the point that it could be adopted throughout Britt Worldwide.

14.

This necessarily brought about more debt, was known at all times to Defendant B Britt to be generating staggering indebtedness, but at Defendant B Britt's insistence. Plaintiff continued to develop the project and brought it to the point where it could be implemented into the Rex Renfrow organization.

15.

B Britt and Britt Worldwide receive input from an Executive Committee composed of the higher pin levels in his downline organization, including Defendants Miller and Covington. In February 2004, the Executive Committee together voted approval that the system be implemented into the Renfrow group.

16.

By then, Plaintiff's software system was being implemented in Skaggs' groups within the Britt organization and was functioning very well.

At all times germane hereto, Defendants were actively benefiting from Plaintiff's software development and system and encouraging Plaintiff to continue to use its own resources, including its credit capacity, to develop the program to optimal level all on the promise to implement Plaintiff's software upon which Plaintiff relied.

In the fall 2005, after an investment of approximately \$2,000,000.00 by Plaintiff, Defendant Britt told Plaintiff's representatives "we ain't using it".

19.

As late as September 2005, Defendant Britt was continuing to offer assurances with Plaintiff's CEO, Joseph Chatfield.

20.

After unilaterally attempting to terminate the agreement, Britt personally contacted the downline group of Skaggs, an independent business owner, and told them that Skaggs was becoming rebellious, that he wanted all of them to quit working with Skaggs and come to him and he wanted them to quit getting their tools from Skaggs and quit using the software developed by Plaintiff.

In addition to the activities of Defendant B Britt with an eye toward the destruction of Plaintiff as well as Skaggs' other enterprises Defendants K Bell and B Bell were largely instrumental in confirming the activities of Defendant B Britt, with whom they acted in consort to conspire to bring about the destruction of the Plaintiff.

22.

Because of Defendant Britt's action, turmoil resulted in Skaggs' downline organization, but consistent with the edification policy in the business system, all persons recognized that when a Founders Crown Ambassador spoke, that that was the final word. Defendant Covington continued to encourage Plaintiff to try to remain viable because he felt that Britt would change his mind.

23.

Defendant Britt then called Skaggs to one of his facilities in North Carolina and told Plaintiff that he was not going to compete with Plaintiff's system. Britt told Skaggs that he liked the system and he had planned to use it but he determined that Skaggs, as owner of Plaintiff, was making too much money and this was embarrassing to upline pins in other legs of Britt's crownship.

24.

Prior to the sudden termination of Plaintiff's business relationship with Defendant Britt, Defendant Miller began relating to downline distributors at public functions sometimes seating as many as 10,000 people, including Skaggs' downline, that his entire organization was going to go to "direct fulfillment" with the new software.

25.

Defendant Covington continued to offer reassurance to Plaintiff that the software program would be employed in his organization downline from Defendant Miller.

26.

Although Defendant Miller and Defendant Covington were independent business owners, not directly subsidiaries of the Britt organization, because of upline/downline unity and edification culture, both opted to refrain from employing Plaintiff's system when Britt absolved the relationship.

27.

At that point, all Defendants had been actively creating reliance in Plaintiff on promises that the system would be implemented system-wide and in particular in their IBO downline organization when it achieved the operating capacity that it ultimately did with their encouragement.

At the time, Britt commenced an active campaign to destroy the credibility of Skaggs and began telling Skaggs' downline to acquire tools from him and directed them to cease using Plaintiff's software. Skaggs' upline, Kevin Bell, informed Plaintiff that he intended to publicly disclose details of Skaggs' marital relationship giving rise to difficulties that were revealed to Defendant K Bell in upline/downline counseling. He stated that such information would surface if Skaggs attempted to interfere with the upline independent business owners' effective theft of his business and destruction of Plaintiff's business.

29.

Skaggs recognized that disclosure of intimate details in a family values and spiritually promotional culture would have a devastating impact on Skaggs' marketing business.

30.

Defendant K Bell then embarked upon a course of telling Skaggs' downline group, contemporaneously with their contact from Defendant Britt, that Plaintiff and his wife were Satanists, that they regularly worshiped Satan, all in an effort to destroy Skaggs credibility and encourage Plaintiff's downline to look beyond Plaintiff for counseling and for tools, and thereby continued to injure Plaintiff by estranging plaintiff's customers from The Skaggs, and with full knowledge that commanding the discontinuance of Plaintiff's software subscription service would bring about the economic failure of Plaintiff.

COUNT I BREACH OF CONTRACT

Plaintiff hereby incorporates the averments contained in paragraphs one through thirty as though more fully set forth herein at length.

31.

Defendants BWW, B Britt and P Britt expressly and/or impliedly agreed and promised to implement Plaintiff's direct fulfillment software program to speed up and make convenient the distribution of tools to their downline, Paul, Leslie and Robert.

32.

At all times material hereto, Plaintiff complied with all terms of its contractual obligation with Defendants.

33.

Defendants breached their contract with Plaintiff by not fulfilling their obligations and promises made thereunder, and by:

a. Failing to implement what all parties had agreed was exactly the production they sought because Britt "did not want to compete with Plaintiff for tool distribution"; b. Active interference with customers of Plaintiff by using power, influence, and connection with them upon which Plaintiff's customers were dependent to cause them to cease doing business with Plaintiff.

34.

As a direct, foreseeable, and proximate result of Defendants' breach of their contract with Plaintiff and in reliance on Defendants' assurances that they would implement the direct fulfillment system they caused Plaintiff to develop, the Plaintiff sustained extensive damages in an amount in excess of \$2,000,000.00, and development costs by failure of Defendants to implement Plaintiff's software.

35.

As a direct, foreseeable, and proximate result of Defendants' breach of their contract with Plaintiff, Defendants' influence and redirection of Plaintiff's customers caused ultimate failure of Plaintiff's business, as Plaintiff remained financially viable until its source of revenue was cut off and could have mitigated its damage by sales of the system elsewhere.

36.

The conduct of the Defendants, and each of them, was obstreperous, obstructive, egregious, vexatious, burdensome, and calculated to cause Plaintiff unnecessary trouble and expense. Defendants acted in bad faith in extremis, were stubborn and litigious, have created a property of detrimental reliance in their contractual agreement by Plaintiff and have thus engaged in activity for which all damages proven at trial should be awarded, but most especially attorney's fees and costs of litigation pursuant to OCGA § 13-6-11, together with, most especially, punitive damages in an amount deemed adequate to sufficiently discourage repetition and punish Defendants for their bad faith misconduct.

COUNT II RACKETEER INFLUENCED CORRUPT ORGANIZATIONS ACT (RICO)

Plaintiff hereby incorporates the averments contained paragraphs one through thirty-six as though more fully set forth herein at length.

37.

OCGA § 16-14-3(8)(A) provides:

"[p]attern of racketeering activity" means... [e]ngaging in at least two acts of racketeering activity in furtherance of one or more incidents, schemes, or transactions that have the same or similar intents, results, accomplices, victims, or methods of commission or otherwise are interrelated by distinguishing characteristics and are not isolated incidents.

(B) "Racketeering activity" shall also mean any act or threat involving murder, kidnapping, gambling, arson, robbery, theft, receipt of stolen property, bribery, extortion, obstruction of justice, dealing in narcotic or dangerous drugs, or dealing in securities which is chargeable under the laws of the United States or any of the several states and which is punishable by imprisonment for more than one year.

39.

O.C.G.A. § 16-14-4 provides:

- It is unlawful for any person through a pattern of racketeering activity or (a) proceeds derived therefrom, to acquire or maintain, directly or indirectly, any interest in or control of any enterprise, real property, or personal property of any nature, including money;
- (b) It is unlawful for any person employed by or associated with any enterprise to conduct or participate in, directly or indirectly, such enterprise through a pattern of racketeering activity;
- It is unlawful for any person to conspire or endeavor to violate any of the (c) provisions of subsections (a) or (b) of this Code Section.

40

Defendants, and each of them, have engaged in at least two predicate acts and/or conspired to engage in at least two predicate acts on multiple occasions as more fully set forth below.

41.

O.C.G.A. § 16-14-6 provides, in pertinent part:

- (a) any superior court may, after making due provisions for the rights of innocent persons, enjoin violations of Code Section 16-14-4 by issuing appropriate orders and judgments including, but not limited to:
 - ordering any defendant to divest himself of any interest in any enterprise, real property or personal property;
 - imposing reasonable restrictions upon future activities or investments **(2)** of any defendant including, but not limited to prohibiting any defendant from engaging in the same type of endeavor as the enterprise in which he was engaged in violation of Code Section 16-14-4;
- (b) any person who is injured by reason of violation of Code Section 16-14-4 shall have a cause of action for three times the actual damages sustained and, where appropriate, punitive damages. Such person shall also recover attorney's fees in the trial and appellate courts and costs of investigation and litigation reasonably incurred. The defendant or any injured person may demand a trial by jury in any civil action brought pursuant to this Code Section.

42.

O.C.G.A. § 16-8-16 defines theft by extortion and sets forth, in pertinent part, the following:

- (a) a person commits the offense of theft by extortion when he unlawfully obtains property of or from another person by threatening to:
- (2) accuse anyone of a criminal offense.
- (3) disseminate[s] any information tending to subject any person to hatred, contempt, or ridicule or to impair his credit or business repute.

Defendants K Bell and B Bell and BI have engaged in a pattern of racketeering activity with regard to Defendant, at a minimum, in that they did commit

- I. Bribery and Extortion punishable by term in the state penitentiary in excess of one year.
- A. In January, 2005, directly and personally communicate, with an eye toward pecuniary gain, to Platinum Directs that were paying customers of Plaintiff that they must abandon Plaintiff's software under penalty of withholding by Defendants Bell of business support and inclusion in network matters upon which the success of their businesses depended.
- B. In February, 2005, directly and personally communicate, with an eye toward pecuniary gain, to downline leaders in the organization of Tony and Alice Rodriguez that were paying customers of Plaintiff that they must abandon Plaintiff's software under penalty of withholding by Defendants Bell of business support and inclusion in network matters upon which the success of their businesses depended.
- C. Defendants Britt and BWW by and through Defendant B Britt, with an eye toward pecuniary gain, did announce to approximately 1,000 present at a function that, as to Plaintiff's agent, Henry Skaggs, "we are going to fix him" "for trying to start his own system", thereby further undermining Plaintiff's customer base as outlined above.
- D. Defendants Bell have directly imputed to Plaintiff's customers the criminal offense of theft to Plaintiff's principal in an effort to strain relationships between Plaintiff and its customers, with an eye toward pecuniary gain...
- E. Defendants have disseminated information tending to subject Plaintiff to contempt or ridicule vicariously by their defamation of Plaintiff's principal.
- F. Defendants Britt and BWW then met directly and personally, with an eye toward pecuniary gain, with Plaintiff's customers and advised them to cease using Plaintiff's system to which they had subscribed.
- G. Defendants Bell actively and directly contacted Plaintiff's customers and informed them that Plaintiff was a satanic enterprise and that its principals worshipped demons and supported the scheme to appropriate Plaintiff's customers for Defendant Britt.
- H. Plaintiff has therefore showed the requisite multiple predicate acts indictable in Georgia as extortion and/or bribery and is entitled to recover damages directly sustained thereby together with the benefit from such other and further sanction that the Court might impose upon Defendants for criminal behavior pursuant to law.

- II. Conspiracy
- survival, with an eye toward pecuniary gain. withholding of support upon which Plaintiff's customers depended for economic customers of Plaintiff to cease doing business with Plaintiff under penalty of A. Defendants Bell actively conspired with Defendants Britt and BWW to cause
- Penitentiary. Bribery and extortion are crimes punishable by imprisonment in the Georgia.
- crimes of Defendants Bell and others. the injuries Plaintiff sustained to its business were the direct result of the predicate C. Defendants Bell have committed the crimes of wire fraud and Plaintiff shows that

INTENTIONAL INTERFERENCE WITH ECONOMIC RELATIONS COUNT III

forty-three as though more fully set forth herein at length. Plaintiff hereby incorporates the averments contained in paragraphs one through

'tt

elements: relations, business relations, or potential business relations share common essential Tortious interference claims, whether asserting interference with contractual

- (2) That Defendant acted purposely and with malice with the intent to injure; (1) Improper action or wrongful conduct by the Defendant without privilege;
- or third parties to discontinue or fail to enter into an anticipated business (3) The Defendant induced a breach of contractual relations or caused a party
- (4) The Defendant's tortious conduct proximately caused the damage to the relationship with the Plaintiff; and

Kirkland v. Tamplin, 2000 WL 1202958 (Ga. App.), 07 FCDR 1394 (April 25, 2007).

Plaintiff. those relationships or expectancies for personal financial gain resulting in damage to distributorships within BWW. Defendants wrongfully and intentionally interfered with financial relationships and future business expectation with its customers and with other between Plaintiff and Plaintiff's customers. Plaintiff had numerous subscriptions and Defendants, and each of them, intentionally interfered with contractual relations

writing, notwithstanding millions of dollars transacted as between them. arose out of mutual trust, benefit and candor. Rarely were any business agreements in Henry Skaggs, controlling principal of Plaintiff, was such that the parties' operations The usual trade practice, course of dealing and close business relationship with

Document 65-2

Case 4:07-tc-05000

Plaintiff.

Filed 08/20/2007

Defendants, and each of them, have communicated directly or indirectly with Plaintiff's customers and used their economic influence to demand that Plaintiff's customers cease business relations with Plaintiff. Defendants were not privileged to do so and, in fact, caused direct harm to Plaintiff's customers by affecting their loss of Plaintiff's subscription service.

48.

Defendants Bell directly communicated with Plaintiff's customers that Plaintiff's majority stockholder and his wife were Satanists and that Plaintiff's business was satanic in character.

49.

That Defendants acted purposefully and with malice with the intent to injure and because no viable alternative was offered to Plaintiff's customers by Defendants, and because secession of business with Plaintiff directly caused harm not only to Plaintiff but to Plaintiff's customers, there can be no doubt that Defendants' misconduct was calculated to cause exactly the harm that it did to Plaintiff.

Defendants' acts and demands were calculated to directly induce a breach of contractual relations to Plaintiff's customers and Plaintiff or to cause Plaintiff's customers to discontinue or fail to enter into anticipated business relationships with the Plaintiff.

51.

Absent Defendants' tortious interference with Plaintiff's business relations with its customers, Plaintiff would not have sustained the damage it did.

52.

Defendants have intentionally interfered with these contracts by knowingly and improperly inducing, causing, encouraging or demanding Plaintiff's customers to terminate business relationships with Plaintiff and abandon their subscription agreements with Plaintiff.

53.

As a result of Defendants' conduct, Plaintiff has sustained and will continue to sustain irreparable harm.

54.

Defendants' conduct has been intentional, deliberate, willful, malicious and motivated by a specific intent to damage Plaintiff's business to achieve private ends and gain.

W. Roper

PRAYERS

Wherefore, Plaintiff respectfully prays as follows:

- (a) that Summons issue and Defendants be served as by law provided;
- (b) that Plaintiff have and recover of Defendants damages for Defendants' misleading and intentionally false communications with Plaintiff's customers including actual damages;
- (c) that Plaintiff have and recover of Defendants actual damages to compensate Plaintiff for all losses incurred as a result of Defendants' breach of agreement and tortious interference with Plaintiff's business relationships with its customers;
- (d) that Plaintiff have and recover of Defendants a trebling of damages pursuant to Georgia statute for Defendants' RICO violations;
- (e) that Plaintiff have and recover of Defendants punitive damages based upon the willful, wanton, malicious and outrageous conduct by Defendants;
- (f) that Plaintiff have and recover of Defendants costs and reasonable attorney's fees incurred in pursuing this action;
- (g) that all issues triable by jury be tried by a jury of twelve persons; and
- (h) for such other and further relief as unto this Court may deem just and equitable in the premises.

// _ day of July 2007.

Prepared by:

John W. Koper

2007 Airport Thruway

P.O. Box 429

Columbus, Georgia 31902

(706) 596-1010

iwroperlaw@aol.com

State Bar No: 614159

VERIFICATION

PERSONALLY APPEARED before the undersigned officer authorized to administer oaths in and for said County and State, the undersigned party litigant, who being duly sworn and put to oath, does depose and say that the allegations made in the above foregoing pleading are true and correct to the best of the party's knowledge and belief.

This Large of ______

2007

INTERNET BUSINESS SOLUTIONS, INC. By: HENRY SKAGGS, PRESIDENT

Sworn to and subscribed before me this day of ______ 2007.

Notary Public, State of Georgia
My commission expires: 21/3/60

IN THE STATE COURT OF MUSCOGEE COUNTY STATE OF GEORGIA

INTERNET BUSINESS SOLUTIONS, INC.* **PLAINTIFF**

v.

BRITT WORLDWIDE, LLC, BILL BRITT PEGGY BRITT, PAUL MILLER, LESLIE * MILLER, ROBERT COVINGTON, BELL INTERNATIONAL, INC., KEVIN BELL, and BETH BELL

DEFENDANTS

CIVIL ACTION

CLERK SUPERIOR/STATE COURT

GEORGIA, MUSCOGEE COUNT FUELENDRIFFINA PLECURE

FILE NO: SC 07 CV 1465 Breach of contract, Tortious interference with contractual relations, Violation of Georgia Racketeer Influence and Corrupt Organizations Act, Fraud, Conspiracy to commit fraud

AMENDED COMPLAINT

COMES NOW International Business Solutions, Inc., hereinafter designated and referred to as "Plaintiff", and brings this its action for relief pursuant to matters set forth as captioned above, as against Britt Worldwide, LLC, hereinaster "BWW", Bill Britt, hereinafter "B Britt", Peggy Britt, hereinafter "P Britt", Paul Miller, hereinafter "P Miller", Leslie Miller, hereinafter "L Miller", Rocky Covington, hereinafter "Covington", Bell International, Inc., hereinafter "BI", Kevin Bell, hereinafter "K Bell", and Beth Bell, hereinafter "B Bell", all hereinafter designated and referred to as named Defendant or collectively as Defendants, and for cause shows as follows:

- A. Plaintiff is a corporate citizen of the State of Georgia, doing and transacting business in Georgia, and worldwide, at all times germane hereto having had plant facilities in Georgia as well as offices directly in Muscogee County, Georgia, and is subject to the jurisdiction of this Court.
- B. Defendant BWW is a limited liability company organized under the laws of the State of Washington and doing business regularly throughout the State of Georgia. Defendant BWW, as the alter ego of B Britt and P Britt is the upline "line of sponsorship", of Defendants P Miller and L Miller, Defendant Covington, Defendant BI, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders of Plaintiff.
- C. Defendant B Britt is a resident of the State of Florida, has directly transacted business in Muscogee County, Georgia through his relationship with the various Defendants who used and employed the mere instrumentality or device of the Defendant BWW, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendant BWW, the corporate veil of BWW should be pierced, and both personal corporate assets should made available for payment of any judgment obtained.

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465 Amended Complaint

Further, Defendant B Britt is an owner of Defendant BWW, American Multimedia International and Britt Management, Inc., which are in the "tools and functions" business and which all do business throughout the State of Georgia. Defendant B Britt is the upline "line of sponsorship" of Defendants P Miller and L Miller, Defendant Covington, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders.

- D. Defendant P Britt is a resident of the State of North Carolina, has directly transacted business in Muscogee County, Georgia through her relationship with the various Defendants who used and employed the mere instrumentality or device of the Defendant BWW, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendant BWW, the corporate veil of BWW should be pierced, and both personal corporate assets should made available for payment of any judgment obtained. Further, Defendant P Britt is an owner of Defendant BWW, American Multimedia International, and Britt Management, Inc., which are in the "tools and functions" business and which all do business throughout the State of Georgia. Defendant P Britt is the upline "line of sponsorship" of Defendants P Miller and L Miller, Defendant Covington, Defendants K Bell and B Bell, and Henry and Sue Skaggs, majority stockholders.
- E. Defendant P Miller is a resident of the State of South Carolina but does business in the State of Georgia directly and through his relationships with the various Defendants and purposefully has directly or indirectly used such relationships to accomplish fraudulent or tortious purposes. Defendant P Miller is the upline "line of sponsorship" of Defendant Covington, and Defendants K Bell and B Bell. Defendant P Miller is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- F. Defendant L Miller is a resident of the State of North Carolina but does business in the State of Georgia directly and through her relationships with the various Defendants. Defendant L Miller was at all times relevant hereto copartner of Defendant P Miller and is directly liable for fraudulent and tortious acts accomplished in the State of Georgia. Defendant L Miller is the upline "line of sponsorship" of Defendant Covington, and Defendants K Bell and B Bell. Defendant L Miller is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- G. Defendant Covington is a resident of the State of South Carolina but does business in the State of Georgia directly and through his relationships with the various Defendants. Defendant Covington is the upline "line of sponsorship" of Henry Skaggs, majority stockholder of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465

2 of 18

- H. Defendant BI is a North Carolina corporation but directly does business in the State of Georgia through its activities and relationships with the various Defendants. It is the alter ego of K Bell and B Bell who used it as the mere instrumentality or device of the Defendants K Bell and B Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes, and as nominee of Defendants K Bell and B Bell, the corporate veil of BI should be pierced, and both personal corporate assets should made available for payment of any judgment obtained.
- I. Defendant K Bell is a resident of the State of North Carolina, has directly transacted business in Muscogee County, Georgia through his alter ego of BI, used as the mere instrumentality or device of the Defendants Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes as to Plaintiff, and as nominee of Defendant BI, the corporate veil of BI should be pierced, and both personal and corporate assets should be made available for payment of any judgment obtained. Further, Defendant K Bell is an owner of Defendant BI, is in the "tools and functions" business and all business operations of K Bell do business throughout the State of Georgia. Defendant K Bell is the upline "line of sponsorship" of Henry and Sue Skaggs, majority stockholders of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.
- J. Defendant B Bell is a resident of the State of North Carolina and has worked together with Defendant K Bell to develop her business interest through their relationships with the various Defendants personally and of BI, is the alter ego of BI who used as the mere instrumentality or device of the Defendants Bell, and purposefully directed and participated in using it to accomplish fraudulent or tortious purposes as to Plaintiff, and as nominee of Defendant BI, the corporate veil of BI should be pierced, and both personal and corporate assets should made available for payment of any judgment obtained. Further, Defendant B Bell is an owner of Defendant BI, is in the "tools and functions" business and all business operations of K Bell do business throughout the State of Georgia. Defendant B Bell is the upline "line of sponsorship" of Henry Skaggs, owner of Plaintiff, wielding dominant power, influence and control over Skaggs downline, who constituted the customers of Plaintiff.

The above named Defendants, and each of them, have had sufficient and continuous contact with the State of Georgia, they have actively and continuously visited the State of Georgia, promoted their business, sold products in Georgia, and promoted their tools and transactions businesses in the State of Georgia and promoted their "lines of sponsorship" within the state.

JURISDICTION AND VENUE

All Defendants, and each of them, including the corporate Defendants have engaged in business and/or have committed tortious acts in the State of Georgia. All Defendants and each of them have personally entered the State of Georgia for the direct reason of developing their business interests, promoting their interests and building independent business ownerships within their line of sponsorship. The individual Defendants have engaged in continuous and systematic business in this state and have committed tortious acts in this state. The actions giving rise to this lawsuit were taken by Defendants at least in part in Georgia. Defendants have maintained sufficient and continuous contacts with this state and are therefore subject to personal jurisdiction pursuant to O.C.G.A. § 9-10-91(a) and (b) and venue is proper in the State Court of Muscogee County because a substantial number of the acts and transactions that gave rise to the claims of the Plaintiff occurred within Muscogee County, Georgia, and that Muscogee County, Georgia, housed the corporate offices and registered agent of Plaintiff. Venue is appropriate in the Sate Court of Muscogee County by virtue of the above facts.

FACTUAL BACKGROUND

Alticor, Inc. manufactures and distributes a wide variety of consumer household products which it sells through a worldwide network of hundreds of thousands of independent distributors affiliated with its agency Quixtar, Inc. (hereinafter Quixtar), formerly known as Amway Corporation. The Quixtar sales and marketing plan provides a mechanism by which an individual distributor called an independent business owner or "IBO" can generate an income from profits from the sale of Quixtar goods or goods and services of other major companies with which Quixtar has partnered and the generation of said income benefits not only the IBO but financially benefits Alticor as well.

Distributorships align themselves within a hierarchy of "pin levels" in the Quixtar distributorship mechanism. In Quixtar parlance, those who occupy positions below a distributor, that is they were brought into the business by the distributor, or by persons who were brought in by the distributor, are known as downline. The distributors to whom the downline look for goods and services are called upline. In order to earn significant profits in a Quixtar distributorship, one must develop a sizeable downline organization by recruiting and sponsoring other distributors into the Quixtar sales organization. Distributorship pin levels have names, and the attainment of such levels is associated with sales volume produced. At the lowest level in the hierarchy, is the individual distributor, or independent business owner who is recruited into the organization by a "sponsor" or first level upline. If an IBO drops out of business, then that IBO's downline will then be part of the immediate upline's organization.

If the distributor holds the "Direct" volume level for six months, the distributorship achieves the pin of "Gold Direct". After qualifying at that level for twelve consecutive months (Q-12), the distributor becomes known as a Q-12 or "Platinum Direct". This results in economic benefit to the distributorship, and serves as a public recognition of the distributors financial and business success.

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465

4 of 18

When a person earns the title of Direct Distributor, their upline are said to have "broken a Direct" because the new direct distributor's business volume is no longer included in the volume of the upline for volume related income purposes but the upline earns a four percent (4%) bonus on the new direct's volume all the way downline to the next Direct Distributor.

A distributor's various personally sponsored IBO's are called "width" and their downline lines of sponsorship are referred to as "legs" or "depth". Simplistically speaking, when a distributorship "breaks" three direct distributors (that is a direct distributor from three different legs), that distributorship achieves the "Emerald pin level". The term "pin" refers to the lapel device that IBO's are entitled to wear that signifies the number of downline legs that have been broken as Directs. The Emerald pin distributorship earns bonuses called "Emerald bonus" and even more if they Q-12. If they maintain three downline directs that Q-12, they become a "Founders Emerald". Upon breaking six direct legs, a distributorship becomes a "Diamond Direct" and those operating at that level are known as "Diamonds". Diamonds receive a Diamond bonus, which can be quite substantial, but they also receive Emerald bonuses since a Diamond is also an Emerald. It is then possible to break more directs and become a Double Diamond, with twelve, a Triple Diamond with eighteen, and a Crown direct distributor with twenty direct legs. Each of those pin levels generates its own bonus in addition to the distributorship retaining its bonus from the pin levels previously achieved. The Crown Ambassador is required to break twenty Platinum direct legs or otherwise qualify through a point system. A Founders Crown Ambassador is required to break twenty Founders Platinum, or Q-12, legs.

Defendant Britt is a "Founders Crown Ambassador," Defendant Miller is a "Crown," Defendant Covington is an "Executive Diamond" or has broken nine direct legs, and Defendants K Bell and B Bell are "Diamonds". Henry Skaggs, majority stockholder of Plaintiff, is a "Founders Emerald". Defendants Britt and BWW have developed one of the largest downline distribution networks in the world, hence one of the most financially productive networks for Quixtar.

The goal of the distributor is to develop downline who will not deviate from extremely well developed marketing programs of the higher pin levels or "the system". Additionally, in the Britt organization, family and spiritual values are promoted intensely and downline are encouraged to "counsel" with their immediate upline not only on business matters but family matters, personal economic matters, marital matters, and all aspects of their social endeavors with their immediate upline. If their upline drops out of the business, then they counsel with the next upline, or in any event, the next "growing" upline if they are unable to benefit from counseling with stagnant upline distributorships. The "business system" demands absolute loyalty and edification of upline distributors to the point of Deification.

There is virtually an air of progressive infallibility about higher pin levels. Much greater respect is accorded pin levels as they become progressively higher. It is rightfully assumed that a person who has developed a Diamondship has more to offer from experience on how to become a Diamond than one who is but an Emerald. The structure makes possible the outcome that very productive Emeraldships may be much more financially lucrative than less productive Diamondships. Many times Emeralds have downline Diamonds who continue to edify their upline Emerald but whose downline typically would take counsel on how to be a Diamond from the one that is a Diamond. Edification, family values, pin level and influence create the setting from which the following facts and causes of action arise.

The business system is sound, successful, and beneficial to thousands of individuals who have followed the sales and marketing plan of Quixtar or as it has been implemented by individual "Kingpin" distributorships that are typically very large, generate tens of millions of dollars in annual income and sales and beyond whom no one in the downline organization looks for business assistance, counseling or development. Britt Worldwide is such an organization and Defendants B Britt and P Britt command and demand unwavering loyalty and wield enormous power and influence over the thoughts, actions, lives, and business success of all in his downline organization. To assure consistency, actively developing upline pins are deemed to speak and act through the direction, control and energy of the next higher pin in their organization. While the individual distributorship is called an independent business owner, the truth is that they are codependent on the pin levels up to the Kingpin distributor.

Although the sales and marketing of consumer household products through this system can yield large incomes, and has created vast fortunes for distributors, a major component of the business model is based on social relationships, inspiration and motivation. To that end, the Kingpin distributorships have created a collateral distribution system to market business development aids, known as "tools" in the business. The brain and intellect are the source of all behavior and the object of using tools is to build mental habits, traits, and personal relationships that are usually essential to business success and cut off those that are not. Tools are such items as motivational tapes or compact discs, both video and audio, books, self-improvement books, and communication devices all calculated to program the individual to receive positive expectancy and to eliminate negative spirit. Distributors are encouraged, verily pressured, to enroll in a "standing order program" from which they will receive periodic books, tapes or CDs from their upline. Typically, the audio and visual mechanisms and devices are inspirational messages and presentations from successful IBOs in the Kingpin's distributorship. Diamonds make them. Emeralds make them. Higher pins make them, and in the case of Britt Worldwide, they are produced by American Multimedia International, another Britt organization.

To be part of the family, distributors are "counseled" that they will likely not be successful if they do not enroll in standing order and attend what are known as "functions" at different times of the year whereby thousands of distributors gather together, bond, bond with other distributors in their upline, listen to hours of inspirational presentations from higher pin levels from a stage, become inundated and indoctrinated with information about habits common to marketing business success, and perhaps attend a huge worship service as well. It is at these functions that strong relationships are formed and one factor important in downline counseling is the number of that downline's distributors who are coming to functions. Between functions, there may be one or more mini regional functions called "rallies" where distributors gather and hear from higher pins in the business. Public recognition is had for achievement and inspirational presentation may be given and a business teaching session might typically be had. Bread is broken. Songs are sung. Fellowship and fun are had. Excitement is generated and the fundamental value promoted is freedom. That includes, but is not limited to, freedom from employment demands, freedom from debt, freedom to make quality choices available only with financial means and downline distributors are able to be in close proximity and on a first name basis with higher pins who typically display indicia of wealth (often indicia of very good personal credit), and independent business owners return to their homes prepared to market more products and place more persons on standing order and persuade more persons to come to and pay for functions.

The Kingpin distributorships have been enormously successful and have themselves created many multimillionaires downline. The successful operation has enabled millions of persons to develop the habit of thinking positively about their own circumstances and has brought benefit into the life of those, even, who do not continue in the business by virtue of their exposure to success principals.

Although it is possible to achieve a very good income and indeed achieve financial freedom from the marketing of consumer products, in many cases, the marketing of tools downline is more lucrative to the higher pins than income from the sale of products. Marketing tools and participation in inspiration through functions and rallies is quite lucrative.

The mechanism for distributing tools created and marketed by or through Defendants Britt and their interests was not meeting the demands of their organization, thus the need to establish a distribution system to assist with delivery and accountability, thus the need to engage Plaintiff to develop its software.

It was the upline-downline network connection and expectations that Defendants abused to destroy the Plaintiff's customer base in order to gain private ends not competitive with Plaintiff. The destruction of Skaggs' consumer product distributorship business interests and income associated with it are not an actionable part of this litigation.

Henry Skaggs implemented the Britt plan and followed it to the letter in the building of an extremely successful Founders Emerald distributorship which became a major component of an upline Diamondship, Bell, which was a major business component of Defendant Covington's downline organization.

FACTS GIVING RISE TO THE INSTANT PETITION

1.

On or about May 1992 Henry and Sue Skaggs were sponsored (recruited) into the downline organization of Defendant K Bell and B Bell. Skaggs, at that time, was a soldier in the United States Army stationed at Ft. Benning (Columbus), Georgia.

Within a very short time, The Skaggs achieved the pin level of Gold Direct and continued to build the business to the point of Founders Emerald. Then Skaggs developed a rather substantial downline organization who looked to them for guidance, counsel, teaching and assistance in building their own downline organizations.

When the Skaggs became a Platinum Direct distributor, they were allowed to participate in tools distribution and began to develop an income from the sale of tools to their downline organization.

The Skaggs were instrumental in helping two of his "legs" to achieve the level of Emerald direct distributor. The Skaggs eventually incorporated three separate business divisions to facilitate operations. (1) Skaggs International, Inc., for the purpose of developing downline and product volume sales; (2) Skaggs Business Systems, developed solely for the purpose of marketing tools, supplemental business building devices; and (3) Internet Business Solutions, Inc., a software development firm.

5.

The Skaggs, not employed by Defendant Bell, but nevertheless the most productive economic unit within the Bell organizations, spotted a need to increase the efficiency of distribution of the supplemental business systems, or tools and payment therefore to make it even more profitable.

6.

At the time, downline were required to get their tools from the next upline, who might be across the country. That would require downline either having to make a trip to the post office to acquire tools to distribute to their downline or to meet with their highest distributor level at any leg at a point or deliver to the highest distributor in a leg at any point the various tools. The process was unwieldy, consuming time, and creating delays, and provided no mechanism to correctly calculate state taxes.

In the Skaggs case, their IBO needed to distribute thousands of individual tools and provide for their redistribution within the space of every week. The idea of direct fulfillment of distributors tool needs was seen to have significant potential to streamline operations and to create a profitable enterprise itself.

Because downline distributors in the Britt line of sponsorship (or any Kingpin line) rarely make a major commitment of any kind without counseling with their upline, Skaggs had thoroughly counseled and discussed the matter of development of direct fulfillment software with Defendants K Bell and B Bell and Defendant Covington and ultimately received the blessing of Defendants Miller and Britt, who were interested in the utility of the direct fulfillment concept and agreed with Plaintiff that it posed yet another way to make money through the sale of subscriptions to Plaintiff's service, in which they would share.

9.

Plaintiff Internet Business Solutions was formed with an eye toward "direct fulfillment" of orders such that all orders and payment or tools in a downline organization could come through Internet based software and therefore allow much more time for developing the downline's product marketing business.

10.

As Skaggs' economic resources for a project of this magnitude were somewhat limited, after taking the idea through his upline organization, it was necessary to make them aware that he would have to acquire borrowed resources and funds to develop the software and pay the people who were working on the project. Because of the potential profitability, all upline Defendants instructed Skaggs to proceed through Plaintiff and Defendant Bell even loaned Plaintiff \$50,000.00 in furtherance of raising needed resources.

11.

Plaintiff was directed by Defendant Britt personally to commit to broaden the operating capability of the system, to test the system in the Bell organization and in the organization of a massive volume producing leg of the Britt organization to be able to gear up to serve one of Britt's most productive legs, the Rex Renfrow organization.

12.

Plaintiff, with the encouragement of Defendants, who intended to implement the software program Britt Wide with an eye toward probability of eventually generating ten to twenty million dollars in monthly subscription sales, then began borrowing money and to pay for software engineers, creative persons and the like and in time made it available to the entire Skaggs organization at a subscriptions price which generated enough cash flow for the operation to break even.

Britt, convinced that the system had merit, worked well, and reduced substantial time and expense in the distribution system for tools, told Plaintiff to develop it to the point that it could be adopted throughout Britt Worldwide.

14

This necessarily brought about more debt, was known at all times to Defendant B Britt to be generating staggering indebtedness, but at Defendant B Britt's insistence, Plaintiff continued to develop the project and brought it to the point where it could be implemented into the Rex Renfrow organization.

15.

B Britt and Britt Worldwide receive input from an Executive Committee composed of the higher pin levels in his downline organization, including Defendants Miller and Covington. In February 2004, the Executive Committee together voted approval that the system be implemented into the Renfrow group.

16.

By then, Plaintiff's software system was being implemented in Skaggs' groups within the Britt organization and was functioning very well.

At all times germane hereto, Defendants were actively benefiting from Plaintiff's software development and system and encouraging Plaintiff to continue to use its own resources, including its credit capacity, to develop the program to optimal level all on the promise to implement Plaintiff's software upon which Plaintiff relied.

In the fall 2005, after an investment of approximately \$2,000,000.00 by Plaintiff, Defendant Britt told Plaintiff's representatives "we ain't using it".

19.

As late as September 2005, Defendant Britt was continuing to offer assurances with Plaintiff's CEO, Joseph Chatfield.

20.

After unilaterally attempting to terminate the agreement, Britt personally contacted the downline group of Skaggs, an independent business owner, and told them that Skaggs was becoming rebellious, that he wanted all of them to quit working with Skaggs and come to him and he wanted them to quit getting their tools from Skaggs and quit using the software developed by Plaintiff.

In addition to the activities of Defendant B Britt with an eye toward the destruction of Plaintiff as well as Skaggs' other enterprises Defendants K Bell and B Bell were largely instrumental in confirming the activities of Defendant B Britt, with whom they acted in consort to conspire to bring about the destruction of the Plaintiff.

22.

Because of Defendant Britt's action, turmoil resulted in Skaggs' downline organization, but consistent with the edification policy in the business system, all persons recognized that when a Founders Crown Ambassador spoke, that that was the final word. Defendant Covington continued to encourage Plaintiff to try to remain viable because he felt that Britt would change his mind.

23.

Defendant Britt then called Skaggs to one of his facilities in North Carolina and told Plaintiff that he was not going to compete with Plaintiff's system. Britt told Skaggs that he liked the system and he had planned to use it but he determined that Skaggs, as owner of Plaintiff, was making too much money and this was embarrassing to upline pins in other legs of Britt's crownship.

24.

Prior to the sudden termination of Plaintiff's business relationship with Defendant Britt, Defendant Miller began relating to downline distributors at public functions sometimes seating as many as 10,000 people, including Skaggs' downline, that his entire organization was going to go to "direct fulfillment" with the new software.

Defendant Covington continued to offer reassurance to Plaintiff that the software program would be employed in his organization downline from Defendant Miller.

26.

Although Defendant Miller and Defendant Covington were independent business owners, not directly subsidiaries of the Britt organization, because of upline/downline unity and edification culture, both opted to refrain from employing Plaintiff's system when Britt absolved the relationship.

27.

At that point, all Defendants had been actively creating reliance in Plaintiff on promises that the system would be implemented system-wide and in particular in their IBO downline organization when it achieved the operating capacity that it ultimately did with their encouragement.

At the time, Britt commenced an active campaign to destroy the credibility of Skaggs and began telling Skaggs' downline to acquire tools from him and directed them to cease using Plaintiff's software. Skaggs' upline, Kevin Bell, informed Plaintiff that he intended to publicly disclose details of Skaggs' marital relationship giving rise to difficulties that were revealed to Defendant K Bell in upline/downline counseling. He stated that such information would surface if Skaggs attempted to interfere with the upline independent business owners' effective theft of his business and destruction of Plaintiff's business.

29.

Skaggs recognized that disclosure of intimate details in a family values and spiritually promotional culture would have a devastating impact on Skaggs' marketing business.

30.

Defendant K Bell then embarked upon a course of telling Skaggs' downline group, contemporaneously with their contact from Defendant Britt, that Plaintiff and his wife were Satanists, that they regularly worshiped Satan, all in an effort to destroy Skaggs credibility and encourage Plaintiff's downline to look beyond Plaintiff for counseling and for tools, and thereby continued to injure Plaintiff by estranging plaintiff's customers from The Skaggs, and with full knowledge that commanding the discontinuance of Plaintiff's software subscription service would bring about the economic failure of Plaintiff.

COUNT I BREACH OF CONTRACT

Plaintiff hereby incorporates the averments contained in paragraphs one through thirty as though more fully set forth herein at length.

31.

Defendants BWW, B Britt and P Britt expressly and/or impliedly agreed and promised to implement Plaintiff's direct fulfillment software program to speed up and make convenient the distribution of tools to their downline, Paul, Leslie and Robert.

32.

At all times material hereto, Plaintiff complied with all terms of its contractual obligation with Defendants.

33.

Defendants breached their contract with Plaintiff by not fulfilling their obligations and promises made thereunder, and by:

a. Failing to implement what all parties had agreed was exactly the production they sought because Britt "did not want to compete with Plaintiff for tool distribution";

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465

b. Active interference with customers of Plaintiff by using power, influence, and connection with them upon which Plaintiff's customers were dependent to cause them to cease doing business with Plaintiff.

34.

As a direct, foreseeable, and proximate result of Defendants' breach of their contract with Plaintiff and in reliance on Defendants' assurances that they would implement the direct fulfillment system they caused Plaintiff to develop, the Plaintiff sustained extensive damages in an amount in excess of \$2,000,000.00, and development costs by failure of Defendants to implement Plaintiff's software.

35.

As a direct, foreseeable, and proximate result of Defendants' breach of their contract with Plaintiff, Defendants' influence and redirection of Plaintiff's customers caused ultimate failure of Plaintiff's business, as Plaintiff remained financially viable until its source of revenue was cut off and could have mitigated its damage by sales of the system elsewhere.

36.

The conduct of the Defendants, and each of them, was obstreperous, obstructive, egregious, vexatious, burdensome, and calculated to cause Plaintiff unnecessary trouble and expense. Defendants acted in bad faith in extremis, were stubborn and litigious, have created a property of detrimental reliance in their contractual agreement by Plaintiff and have thus engaged in activity for which all damages proven at trial should be awarded, but most especially attorney's fees and costs of litigation pursuant to OCGA § 13-6-11, together with, most especially, punitive damages in an amount deemed adequate to sufficiently discourage repetition and punish Defendants for their bad faith misconduct.

COUNT II RACKETEER INFLUENCED CORRUPT ORGANIZATIONS ACT (RICO)

Plaintiff hereby incorporates the averments contained paragraphs one through thirty-six as though more fully set forth herein at length.

37.

OCGA § 16-14-3(8)(A) provides:

"[p]attern of racketeering activity" means... [e]ngaging in at least two acts of racketeering activity in furtherance of one or more incidents, schemes, or transactions that have the same or similar intents, results, accomplices, victims, or methods of commission or otherwise are interrelated by distinguishing characteristics and are not isolated incidents.

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465 Amended Complaint (B) "Racketeering activity" shall also mean any act or threat involving murder, kidnapping, gambling, arson, robbery, theft, receipt of stolen property, bribery, extortion, obstruction of justice, dealing in narcotic or dangerous drugs, or dealing in securities which is chargeable under the laws of the United States or any of the several states and which is punishable by imprisonment for more than one year.

39.

O.C.G.A. § 16-14-4 provides:

Case 4:07-tc-05000

- (a) It is unlawful for any person through a pattern of racketeering activity or proceeds derived therefrom, to acquire or maintain, directly or indirectly, any interest in or control of any enterprise, real property, or personal property of any nature, including money;
- (b) It is unlawful for any person employed by or associated with any enterprise to conduct or participate in, directly or indirectly, such enterprise through a pattern of racketeering activity;
- (c) It is unlawful for any person to conspire or endeavor to violate any of the provisions of subsections (a) or (b) of this Code Section.

40.

Defendants, and each of them, have engaged in at least two predicate acts and/or conspired to engage in at least two predicate acts on multiple occasions as more fully set forth below.

41.

O.C.G.A. § 16-14-6 provides, in pertinent part:

- (a) any superior court may, after making due provisions for the rights of innocent persons, enjoin violations of Code Section 16-14-4 by issuing appropriate orders and judgments including, but not limited to:
 - (1) ordering any defendant to divest himself of any interest in any enterprise, real property or personal property;
 - imposing reasonable restrictions upon future activities or investments of any defendant including, but not limited to prohibiting any defendant from engaging in the same type of endeavor as the enterprise in which he was engaged in violation of Code Section 16-14-4;
- (b) any person who is injured by reason of violation of Code Section 16-14-4 shall have a cause of action for three times the actual damages sustained and, where appropriate, punitive damages. Such person shall also recover attorney's fees in the trial and appellate courts and costs of investigation and litigation reasonably incurred. The defendant or any injured person may demand a trial by jury in any civil action brought pursuant to this Code Section.

42.

O.C.G.A. § 16-8-16 defines theft by extortion and sets forth, in pertinent part, the following:

- (a) a person commits the offense of theft by extortion when he unlawfully obtains property of or from another person by threatening to:
- (2) accuse anyone of a criminal offense.
- (3) disseminate[s] any information tending to subject any person to hatred, contempt, or ridicule or to impair his credit or business repute.

Defendants K Bell and B Bell and BI have engaged in a pattern of racketeering activity with regard to Defendant, at a minimum, in that they did commit

- I. Bribery and Extortion punishable by term in the state penitentiary in excess of one year.
- A. In January, 2005, directly and personally communicate, with an eye toward pecuniary gain, to Platinum Directs that were paying customers of Plaintiff that they must abandon Plaintiff's software under penalty of withholding by Defendants Bell of business support and inclusion in network matters upon which the success of their businesses depended.
- B. In February, 2005, directly and personally communicate, with an eye toward pecuniary gain, to downline leaders in the organization of Tony and Alice Rodriguez that were paying customers of Plaintiff that they must abandon Plaintiff's software under penalty of withholding by Defendants Bell of business support and inclusion in network matters upon which the success of their businesses depended.
- C. Defendants Britt and BWW by and through Defendant B Britt, with an eye toward pecuniary gain, did announce to approximately 1,000 present at a function that, as to Plaintiff's agent, Henry Skaggs, "we are going to fix him" "for trying to start his own system", thereby further undermining Plaintiff's customer base as outlined above.
- D. Defendants Bell have directly imputed to Plaintiff's customers the criminal offense of theft to Plaintiff's principal in an effort to strain relationships between Plaintiff and its customers, with an eye toward pecuniary gain..
- E. Defendants have disseminated information tending to subject Plaintiff to contempt or ridicule vicariously by their defamation of Plaintiff's principal.
- F. Defendants Britt and BWW then met directly and personally, with an eye toward pecuniary gain, with Plaintiff's customers and advised them to cease using Plaintiff's system to which they had subscribed.
- G. Defendants Bell actively and directly contacted Plaintiff's customers and informed them that Plaintiff was a satanic enterprise and that its principals worshipped demons and supported the scheme to appropriate Plaintiff's customers for Defendant Britt.
- H. Plaintiff has therefore showed the requisite multiple predicate acts indictable in Georgia as extortion and/or bribery and is entitled to recover damages directly sustained thereby together with the benefit from such other and further sanction that the Court might impose upon Defendants for criminal behavior pursuant to law.

- II. Conspiracy
- A. Defendants Bell actively conspired with Defendants Britt and BWW to cause customers of Plaintiff to cease doing business with Plaintiff under penalty of withholding of support upon which Plaintiff's customers depended for economic survival, with an eye toward pecuniary gain.
- B. Bribery and extortion are crimes punishable by imprisonment in the Georgia Penitentiary.
- C. Defendants Bell have committed the crimes of wire fraud and Plaintiff shows that the injuries Plaintiff sustained to its business were the direct result of the predicate crimes of Defendants Bell and others.

COUNT III INTENTIONAL INTERFERENCE WITH ECONOMIC RELATIONS

Plaintiff hereby incorporates the averments contained in paragraphs one through forty-three as though more fully set forth herein at length.

44.

Tortious interference claims, whether asserting interference with contractual relations, business relations, or potential business relations share common essential elements:

- (1) Improper action or wrongful conduct by the Defendant without privilege;
- (2) That Defendant acted purposely and with malice with the intent to injure;
- (3) The Defendant induced a breach of contractual relations or caused a party or third parties to discontinue or fail to enter into an anticipated business relationship with the Plaintiff; and
- (4) The Defendant's tortious conduct proximately caused the damage to the Plaintiff.

Kirkland v. Tamplin, 2000 WL 1202958 (Ga. App.), 07 FCDR 1394 (April 25, 2007).

45

Defendants, and each of them, intentionally interfered with contractual relations between Plaintiff and Plaintiff's customers. Plaintiff had numerous subscriptions and financial relationships and future business expectation with its customers and with other distributorships within BWW. Defendants wrongfully and intentionally interfered with those relationships or expectancies for personal financial gain resulting in damage to Plaintiff.

46.

The usual trade practice, course of dealing and close business relationship with Henry Skaggs, controlling principal of Plaintiff, was such that the parties' operations arose out of mutual trust, benefit and candor. Rarely were any business agreements in writing, notwithstanding millions of dollars transacted as between them.

Internet Business Solutions, Inc. v. Britt Worldwide, LLC, et. al. CA No: SC 07 CV 1465 Amended Complaint

Defendants, and each of them, have communicated directly or indirectly with Plaintiff's customers and used their economic influence to demand that Plaintiff's customers cease business relations with Plaintiff. Defendants were not privileged to do so and, in fact, caused direct harm to Plaintiff's customers by affecting their loss of Plaintiff's subscription service.

48.

Defendants Bell directly communicated with Plaintiff's customers that Plaintiff's majority stockholder and his wife were Satanists and that Plaintiff's business was satanic in character.

49.

That Defendants acted purposefully and with malice with the intent to injure and because no viable alternative was offered to Plaintiff's customers by Defendants, and because secession of business with Plaintiff directly caused harm not only to Plaintiff but to Plaintiff's customers, there can be no doubt that Defendants' misconduct was calculated to cause exactly the harm that it did to Plaintiff.

50.

Defendants' acts and demands were calculated to directly induce a breach of contractual relations to Plaintiff's customers and Plaintiff or to cause Plaintiff's customers to discontinue or fail to enter into anticipated business relationships with the Plaintiff.

51.

Absent Defendants' tortious interference with Plaintiff's business relations with its customers, Plaintiff would not have sustained the damage it did.

52.

Defendants have intentionally interfered with these contracts by knowingly and improperly inducing, causing, encouraging or demanding Plaintiff's customers to terminate business relationships with Plaintiff and abandon their subscription agreements with Plaintiff.

53.

As a result of Defendants' conduct, Plaintiff has sustained and will continue to sustain irreparable harm.

54.

Defendants' conduct has been intentional, deliberate, willful, malicious and motivated by a specific intent to damage Plaintiff's business to achieve private ends and gain.

PRAYERS

Wherefore, Plaintiff respectfully prays as follows:

- (a) that Summons issue and Defendants be served as by law provided;
- (b) that Plaintiff have and recover of Defendants damages for Defendants' misleading and intentionally false communications with Plaintiff's customers including actual damages;
- (c) that Plaintiff have and recover of Defendants actual damages to compensate Plaintiff for all losses incurred as a result of Defendants' breach of agreement and tortious interference with Plaintiff's business relationships with its customers;
- (d) that Plaintiff have and recover of Defendants a trebling of damages pursuant to Georgia statute for Defendants' RICO violations;
- (e) that Plaintiff have and recover of Defendants punitive damages based upon the willful, wanton, malicious and outrageous conduct by Defendants;
- (f) that Plaintiff have and recover of Defendants costs and reasonable attorney's fees incurred in pursuing this action;
- (g) that all issues triable by jury be tried by a jury of twelve persons; and
- (h) for such other and further relief as unto this Court may deem just and equitable in the premises.

This 19 day of July 2007.

John W. Roper

Prepared by:

John W. Roper

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State Bar No: 614159

VERIFICATION

PERSONALLY APPEARED before the undersigned officer authorized to administer oaths in and for said County and State, the undersigned party litigant, who being duly sworn and put to oath, does depose and say that the allegations made in the above foregoing pleading are true and correct to the best of the party's knowledge and belief.

This H day of John 200

INTERNET BUSINESS SOLUTIONS, INC. By: HENRY SKAGGS, PRESIDENT

Sworn to and subscribed before me this 19 day of 2007.

Notary Public, State of Georgia
My commission expires: 2/13/10