

expenses, consumer redress, and attorneys' fees—in excess of \$1,000,000. Texas also seeks nonmonetary, injunctive relief.

II. JURISDICTION AND STATUTORY AUTHORITY

2.1 This enforcement action is brought by Attorney General Ken Paxton, through his Consumer Protection Division, in the name of the State of Texas and in the public interest pursuant to the authority granted by § 17.47 and § 17.48 of the DTPA, upon the ground that Defendants have engaged in false, deceptive and misleading acts and practices in the course of trade and commerce as defined in, and declared unlawful by, § 17.46(a) and (b) of the DTPA. In enforcement suits filed pursuant to § 17.47 of the DTPA, the Attorney General is further authorized to seek civil penalties, redress for consumers, and injunctive relief.

III. PUBLIC INTEREST AND NOTICE

3.1 Texas has reason to believe that Defendants have engaged in and will continue to engage in the unlawful practices set forth in this Petition.

3.2 Texas has reason to believe Defendants are leasing SIM cards to consumers without authorization and leading consumers to believe they are contracting with a legitimate internet service providers. Therefore, these proceedings are in the public interest. *See* DTPA § 17.47(a).

3.3 Pre-suit notice is not required under DTPA § 17.47(a) because there is good cause to believe Defendants have and will continue to cause immediate, irreparable injury, loss, and damage to consumers and to the State of Texas and, due to the seriousness of the allegations, Defendants' criminal history,¹ and outstanding debts,² that immediate and irreparable injury, loss, or damage would occur as a result of such delay. Additionally, there is good cause, due in part to

¹ Exhibit 2, ¶ 13, 15, Exs. E, G.

² Exhibit 2, ¶ 16, Ex. H.

Defendants' unregistered business aliases³ and use of false names or aliases⁴, to believe that Defendants will evade service of process and destroy relevant records if prior contact is made. Further, for reasons stated above, such pre-suit notice is not required because there is good cause to believe that Defendants would attempt to secrete assets, necessitating the State's prayer for a temporary restraining order with asset freeze.⁵

IV. VENUE

4.1 Venue of this suit lies in Comal County, Texas, under the DTPA § 17.47(b), for the following reasons:

- (a) The transactions forming the basis of this suit occurred in Comal County, Texas;
- (b) Defendants have done business in Comal County, Texas; and
- (c) Defendants' principal places of business are in Comal County, Texas.

V. TRADE AND COMMERCE

5.1 At all times described below, Defendants and their agents have engaged in conduct constituting "trade" and "commerce," defined in § 17.45(6) of the DTPA.

VI. DEFENDANTS

6.1 Defendant **GEV IO, LLC d/b/a NOMAD INTERNET** is a Texas limited liability company. Defendant's place of business is in Comal County, Texas, located at 1308 E. Common St. #205, New Braunfels, TX 78130. Defendants Jessica Garza and Alan Harmon are the managing partners of Defendant GEV IO, LLC. Defendant GEV IO, LLC may be served with process on its registered agent, United States Corporation Agents, Inc. at 9900 Spectrum Drive, Austin, TX 78717.

³ Exhibit 2, ¶ 6.

⁴ Exhibit 2, ¶¶ 11, 18.

⁵ See *infra* Section XII.

6.2 In addition to their individual liability and their partnership liability, Defendants Jessica Garza, Alan Harmon, and Homero Joshua Garza (collectively “Individual Defendants” or collectively “Nomad Internet”) are personally liable for the acts of their agents and for the acts of Defendant GEV IO, LLC. Nomad Internet is the alter ego of Individual Defendants and is used for an unlawful purpose. Individual Defendants used Nomad Internet to perpetuate a deceptive enterprise, comingle business and personal funds, and use the ill-gotten gains from the business for personal purposes.⁶

6.3 The Individual Defendants are engaging in activities that tend to deceive others and injure the public and are using the corporate shield to protect themselves from individual liability and are therefore jointly and severally liable.⁷

6.4 Defendant **JESSICA DIANE GARZA A/K/A JESSICA DIANE HARMON D/B/A NOMAD INTERNET** is an individual residing in Comal County, Texas. She is named as a defendant in her individual capacity and for the acts of her alter ego, Nomad Internet. She is a managing member of GEV IO, LLC.⁸ She may be served with process at 1308 Common St., Suite 205, New Braunfels, TX 78130, her residence at 335 Pheasant Ln., Lot #59, New Braunfels, TX 78130, or wherever she may be found.

6.5 Defendant **ALAN EUGENE HARMON D/B/A NOMAD INTERNET** is an individual residing in Comal County, Texas. He is named as a defendant in his individual capacity and for the acts of his alter ego, Nomad Internet. He a managing member of GEV IO, LLC.⁹ He may be served with process at his residence at 736 Gristmill Dr., New Braunfels, TX 78130, or wherever he may be found.

⁶ Exhibit 1, ¶ 4-22; Exhibit 2, ¶¶ 3-21, 26-81.

⁷ *Id.*

⁸ Exhibit 2, ¶ 5, Ex. A.

⁹ *Id.*

6.6 Defendant **HOMERO JOSHUA GARZA D/B/A NOMAD INTERNET**, aka Jaden Garza, Jayden Garza, and Josh Garza, is an individual residing in Comal County, Texas. He is the founder and CEO of Nomad Internet.¹⁰ He is named as a defendant in his individual capacity and for the acts of his alter ego, Nomad Internet. He may be served with process at 1308 Common St., Suite 205, New Braunfels, TX 78130, his residence at 335 Pheasant Ln. Lot #59, New Braunfels, TX 78130, or wherever he may be found.

VII. ACTS OF AGENTS

- 7.1 Whenever in this Petition it is alleged that Defendants did any act, it is meant that:
- (a) the named Defendants performed or participated in the act, or
 - (b) the named Defendants' officers, successors in interest, agents, partners, trustees or employees performed or participated in the act on behalf of and under the authority of one or more of the Defendants.

VIII. EXHIBITS

8.1 Texas relies on the following exhibits in support of its Petition, Application for Ex Parte Temporary Restraining Order with an Asset Freeze, and Application for Temporary and Permanent Injunctions:

- (a) Exhibit 1 – Affidavit of Verizon employee Victor Fettes;
- (b) Exhibit 2 – Affidavit of Investigator Javier Juarez;
- (c) Exhibit 3 – Affidavit of Investigator Ryan Hanlan;
- (d) Exhibit 4 – Affidavit of consumer Brandon Frie;
- (e) Exhibit 5 – Affidavit of consumer Stephanie Swope; and
- (f) Exhibit 6 – Affidavit of consumer Shelley Davis.

¹⁰ Exhibit 2, ¶ 3-21.

IX. FACTUAL BACKGROUND

A. *Introduction and Overview of Mobile Virtual Network Operators.*

9.1 Access to high speed, reliable internet has become an increasingly important necessity. Consumers require dependable connections to their homes for a variety of purposes including work, education, and leisure. The traditional internet service providers, AT&T, Verizon, and T-Mobile are among the largest and most popular, offering coverage across the entire United States. Despite the extent of coverage they offer, some consumers, such as those who live in a rural environment or do not remain in one location, are unable to obtain a reliable internet connection. Other consumers simply seek an alternative, leading to a demand for third-party internet service providers.

9.2 Dating back to the 1990s, a new type of internet service provider known as mobile virtual network operators (“MVNOs”) emerged, providing wireless data access to consumers by entering into agreements with traditional internet service providers, also known as mobile network operators (“MNOs”). MNOs deliver wireless data to consumers. MNOs own and control all of the elements of the sale, including infrastructure and technical support, but they also sell excess bandwidth to MVNOs in bulk; the MNVOs then resell that data for a profit.

9.3 The most successful MNO-MVNO partnerships in the U.S. are those in which the traditional internet service provider has full or partial ownership in the MVNO, such as AT&T’s Cricket Wireless, Verizon’s Visible, and T-Mobile’s Metro.

B. *Defendants Illegally Acquire Access to Wireless Internet Networks and Resell the Data to Unsuspecting Consumers Nationwide through an Unregistered Partnership.*

9.4 Defendants have perpetuated a \$75 million-dollar deceptive scheme against major internet service providers and individual consumers alike.¹¹ Defendants acquired large quantities of SIM

¹¹ Exhibit 3, ¶ 10.

cards from the MNOs by masquerading as legitimate entities requiring wireless data and equipment.¹² Defendants opened business account contracts with MNOs. Using a business account to obtain SIM cards, Defendants then improperly leased the SIM cards to consumers as if they were an authorized internet service reseller or MVNO.¹³ Defendants were not an authorized internet service resellers.¹⁴ The contracts Defendants used to procure the SIM cards prohibited resale.¹⁵

9.5 Upon acquisition of these SIM cards, Defendants immediately breached their contracts with MNO service providers by reselling internet access to unsuspecting consumers, mirroring the marketing and appearance of legitimate MVNOs.¹⁶

9.6 When this method of obtaining large quantities of SIM cards by creating business accounts was detected and blocked by networks, Defendants then applied for thousands of individual data lines using fictional identities.¹⁷ Like the business account contracts, the contracts Defendants entered into with MNO service providers for individual lines prohibited resale.¹⁸ After improperly acquiring large quantities of SIM cards by contracts for individual data lines, Defendants illegally resold these lines to unsuspecting consumers.¹⁹ Even after network providers detected and terminated the unauthorized use of their networks, leaving consumers without internet access for which they were paying, Defendants continued to charge consumers large monthly fees.²⁰

9.7 By selling, offering for sale, and distributing telecommunication equipment acquired without authorization, along with falsely representing their affiliation with reputable internet

¹² Exhibit 1, ¶ 4-22; Exhibit 2, ¶ 24.

¹³ Exhibit 1, ¶ 4-5; Exhibit 2, ¶ 22-24; Exhibit 4, ¶ 3-4; Exhibit 5, ¶¶ 2-3, 10; Exhibit 6, ¶ 2-4.

¹⁴ Exhibit 1, ¶ 19; Exhibit 2, ¶ 24.

¹⁵ Exhibit 1, ¶¶ 4, 12-13, 15-22.

¹⁶ *Id.*

¹⁷ Exhibit 1, ¶ 10-22.

¹⁸ *Id.*

¹⁹ Exhibit 1, ¶ 4-21; Exhibit 2, ¶ 22-24; Exhibit 4, ¶ 3-4; Exhibit 5, ¶¶ 2-3, 10; Exhibit 6, ¶ 2-4.

²⁰ Exhibit 1, ¶ 6, 19-21; Exhibit 4, ¶ 4-7; Exhibit 5, ¶ 3-11; Exhibit 6, ¶ 3-26.

service providers, Defendants and their agents have, in the conduct of trade and commerce, engaged in false, misleading and deceptive acts and practices declared unlawful under the DTPA. See DTPA § 17.46(a).

C. Defendants Operate an Illegal Internet Service Enterprise.

9.8 Defendants own and operate a website titled “NomadInternet.com.”²¹ As illustrated in **Figure 1** below, Nomad Internet’s website looked like what a consumer would expect when seeking service from a legitimate MVNO.

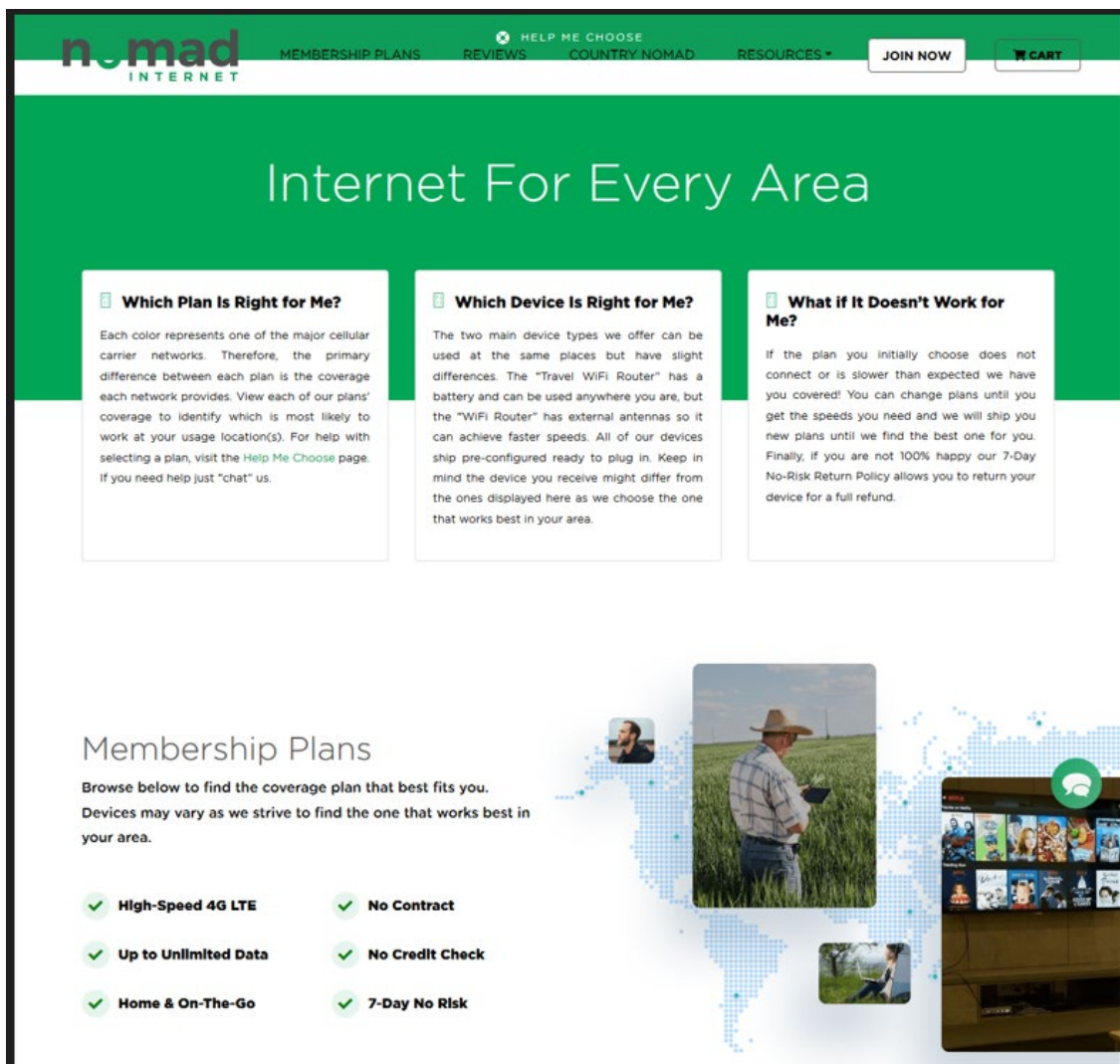


Figure 1 (Nomad Internet’s website on March 10, 2022) Exhibit 2, ¶ 22, Ex. N.

²¹ Exhibit 1, ¶¶ 4-5, 10; Exhibit 2, ¶ 22.

9.9 The marketing of the internet plans sold by the Defendants was deceptive. Defendants claimed to be a low-cost alternative to traditional internet service providers, such as AT&T, Xfinity, and Spectrum. Instead, its plans ranged from \$129 to \$199 a month, more than triple the national average,²² along with sign-up fees ranging hundreds of dollars.²³ These plans included a SIM card and an optional router—a travel Wi-Fi or traditional Wi-Fi router—for an additional cost, and options such as the “Strong Pink Plan” and the “Deep Red Plan.” At the “Membership Plans” page, prospective consumers had the option to explore their coverage area by entering their address to see which plan will work best for this area. *See Figure 2:*

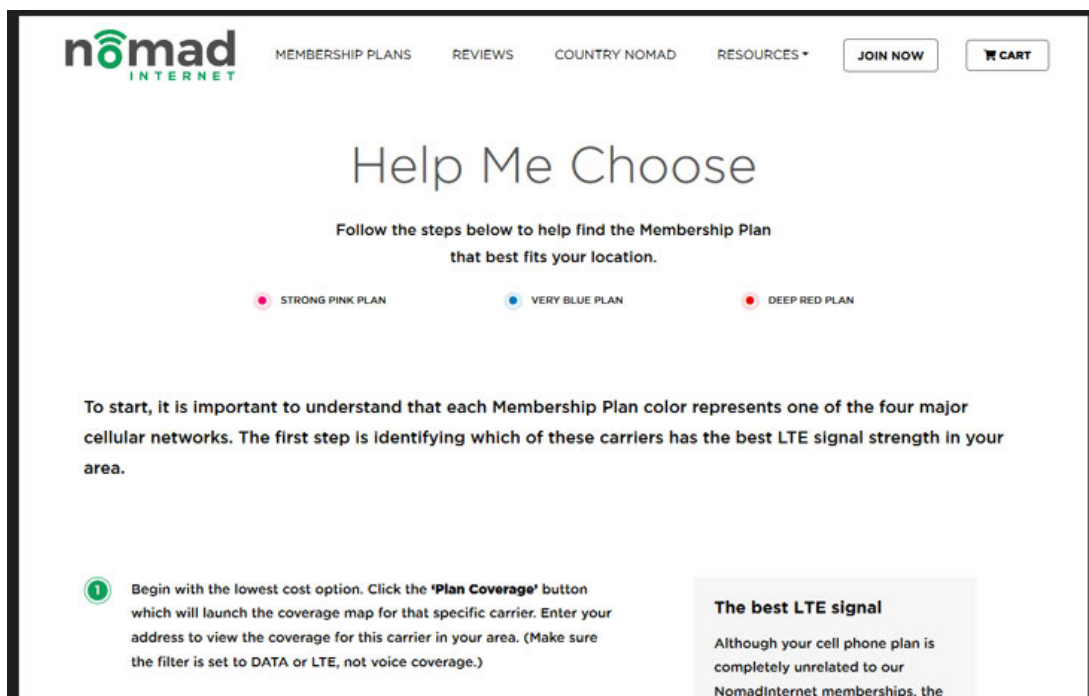


Figure 2 (*Nomad Internet’s website on March 10, 2022*) Exhibit 2 ¶ 22, Ex. N.

9.10 Alternatively, consumers could click “Plan Coverage” link under the “Strong Pink Plan” or the “Deep Red Plan.”

²² Hal M. Bundrick, CFP, *How Much Is Internet Per Month*, Nerdwallet.com (Mar. 30, 2021), <https://www.nerdwallet.com/article/finance/how-much-is-internet-per-month#:~:text=Average%20costs%20for%20internet%20service,per%20month%2C%20depending%20on%20speed.>

²³ Exhibit 3, ¶ 7-9; Exhibit 4, ¶ 4; Exhibit 5, ¶ 3; Exhibit 6, ¶ 3-4.

9.11 Defendants have explicitly claimed an affiliation with traditional service providers when no such partnership existed, such as in advertisements, giving Defendants unwarranted legitimacy and credibility, misleading consumers to sign up. Moreover, by claiming certain wireless networks such as Verizon were partners when they were not, consumers who lived in areas where only Verizon plans worked were especially inclined to sign up for Defendants’ services under the belief they would receive service from Verizon.²⁴

9.12 If a consumer clicked “Plan Coverage” under the pink plan, they were redirected to a webpage with the official coverage map of T-Mobile—who’s company color is pink. Similarly, if a prospective consumer clicked the link under the red plan, they were redirected to a webpage with the official coverage map of Verizon—who’s company color is red. As illustrated in **Figure 3** below, Nomad Internet also offered a “Very Blue Plan,” which redirected consumers to the official coverage map of AT&T—who’s company color is blue.²⁵

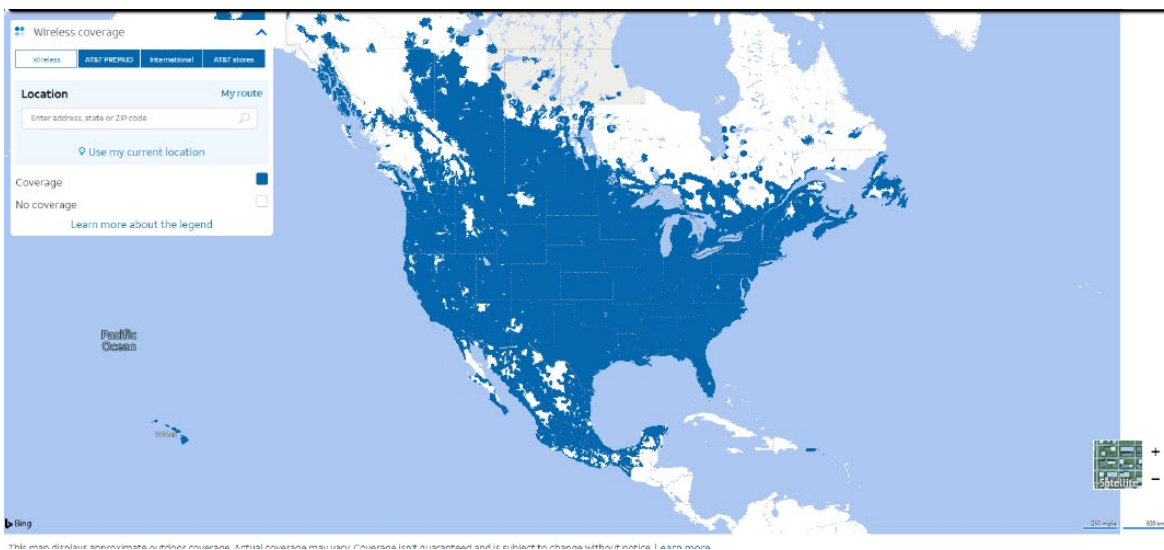


Figure 3 (AT&T coverage map on AT&T’s website—link from Nomad Internet website)

²⁴ Exhibit 1, ¶ 4-22; Exhibit 5, ¶ 2-3.

²⁵ Exhibit 2, ¶ 23, Ex. O.

9.13 Verizon conducted an undercover operation to determine if their SIM cards were being acquired and leased without authorization.²⁶ Employees for Verizon’s Operational Assurance team acted as consumers, used Nomad Internet’s website to sign up for Nomad Internet’s “Deep Red Plan,” and received improperly acquired SIM cards, along with a device to use these SIM cards.²⁷ Notably, as illustrated in **Figure 4** below, Defendants attempted to conceal their deception by defacing the SIM card in black marker, over a label on the SIM card that reads “Verizon” and “Visible.”²⁸



Figure 4 (Photographs of front and back side of SIM card and device delivered to Verizon Operational Assurance Team).²⁹

9.14 As a part of this operation, Verizon also monitored Nomad Internet’s social media activity, in which they discovered Defendants boasting of acquiring large numbers of SIM cards they had digitally altered and promised to distribute to consumers.³⁰ See **Figure 5**:

²⁶ Exhibit 1, ¶ 9-13.

²⁷ *Id.*

²⁸ Exhibit 1, ¶ 11, Ex. F.

²⁹ *Id.*

³⁰ Exhibit 1, ¶ 6, Ex. B.



Figure 5 (Screenshots from Nomad Internet Social Media).³¹

³¹ *Id.*

9.15 Another clear example of the deceptive reselling of SIM cards improperly acquired from internet service providers is evidenced via a consumer complaint. This consumer provided the SIM card's Integrated Circuit Card Identification Number (ICCID), a unique 18–22-digit code that identifies a SIM card.³² Using this identifying number, AT&T confirmed their ownership of this SIM card.³³ The only reasonable explanation for the Nomad Internet consumer to have possession of this AT&T SIM card is through Defendants' deception and fraud.

9.16 Defendants falsely represented that they are a legitimate internet reseller tied to reputable companies and that consumers will receive unlimited internet service by subscribing to Defendants' service.³⁴ However, they were not, and when internet service providers discovered their SIM cards were being used for more data than for which they agreed; and/or in geographic regions different than what was represented by Defendants, the internet service providers notified Defendants that they were breaching the Terms of Service. When no action was taken by Defendants, the internet service providers proceeded to limit the amount of data transmitted to the SIM cards, a practice known as "throttling."³⁵

9.17 Upon the substantial slow-down in internet speeds, consumers contacted Defendants, assuming they own or have some degree of control over the internet service. Of course, because Defendants do not own or control the equipment, Defendants did nothing except tell the consumers to return the SIM cards along with the routers in which they were delivered.³⁶

³² Exhibit 2, ¶ 24, Ex. P.

³³ Exhibit 2, ¶ 24, Ex. Q.

³⁴ Exhibit 1, ¶ 4-5; Exhibit 2, ¶ 22-24; Exhibit 4, ¶ 3-4; Exhibit 5, ¶ 2-3, 10; Exhibit 6, ¶ 2-4.

³⁵ Exhibit 2, ¶ 24, Ex. P-Q; Exhibit 4, ¶ 5; Exhibit 5, ¶¶ 7-8, 11.

³⁶ Exhibit 4, ¶5; Exhibit 5, ¶ 4, 8; Exhibit 6, ¶¶ 6, 9-21.

9.18 Sometimes, Defendants would send the consumer a new SIM card and router.³⁷ Oftentimes, the SIM card sent to a complaining consumer was a SIM card that had already been throttled, resulting in equally poor speeds.³⁸

9.19 Despite the poor service provided, Defendants charged consumers full price, often charged consumers for equipment that was never delivered, or charged consumers multiple times.³⁹

9.20 When consumers attempted to cancel, they were either told they must first return the equipment—despite the consumers often never having received the product in the first place—or were told they had successfully canceled their subscription, only to later be charged by Defendants again.⁴⁰

D. Texas Law Prohibits the Unlicensed Sale and Distribution of Wireless Data.

9.21 Under Texas law, “all providers of Internet access services must obtain a Texas sales and use tax permit and collect tax on the total amount subject to tax as provided in subsection (b) of this section, or accept a properly completed resale, exemption, or direct payment permit exemption certificate in lieu of collecting tax.”⁴¹ “A person or officer of a corporation commits an offense if the person or the corporation engages in business as a seller in this state without a permit or with a suspended permit. A separate offense is committed each day a person operates a business without a permit or with a suspended permit.”⁴²

X. VIOLATIONS OF THE DTPA: TEX. BUS. & COM. CODE §§ 17.41–17.63

10.1 Texas incorporates and adopts by reference the allegations contained in each and every preceding paragraph of this petition.

³⁷ Exhibit 4, ¶ 5; Exhibit 5, ¶ 4-12; Exhibit 6, ¶¶ 7-15, 18-23.

³⁸ Exhibit 5, ¶ 7-10; Exhibit 6, ¶ 7-24.

³⁹ Exhibit 5, ¶ 6, 8; Exhibit 6, ¶ 25-26.

⁴⁰ Exhibit 4, ¶ 6-7; Exhibit 5, ¶¶ 6, 8; Exhibit 6, ¶ 25-26.

⁴¹ 34 Tex. Admin. Code § 3.366(c).

⁴² 34 Tex. Admin. Code § 3.305(4).

10.2 The Defendants, as alleged and detailed above, have in the conduct of trade and commerce, engaged in false, misleading, or deceptive acts or practices in violation of § 17.46(a) of the Texas Business and Commerce Code.

10.3 Additionally, the Defendants, in the course and conduct of trade and commerce, have directly or indirectly engaged in false, misleading, and deceptive acts and practices declared to be unlawful by the DTPA by:

- (a) Causing confusion or misunderstanding as to the source, sponsorship, approval, or certification of goods or services, in violation of DTPA, § 17.46(b)(2);
- (b) Causing confusion or misunderstanding as to affiliation, connection, or association with, or certification by, another, in violation of DTPA, § 17.46(b)(3);
- (c) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or quantities which they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection which he does not have, in violation of DTPA, § 17.46(b)(5);
- (d) Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another, in violation of the DTPA, § 17.46(b)(7); and
- (e) Failing to disclose information concerning goods or services which was known at the time of the transaction with the intent to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed in violation of DTPA § 17.46(b)(24).

XI. DISGORGEMENT/CONSTRUCTIVE TRUST/UNJUST ENRICHMENT

11.1 Texas incorporates and adopts by reference the allegations contained in each and every preceding paragraph of this petition.

11.2 Texas requests the Court impose a constructive trust over the assets and funds Defendants derived from the resale of improperly acquired property to the public. Defendants would be unjustly enriched if allowed to retain the proceeds and assets from their deceptive scheme. Defendants' assets are subject to the equitable remedy of disgorgement, which is the forced relinquishment of all benefits that would be unjust for Defendants to retain, including all ill-gotten gains and benefits or profits that have resulted from Defendants' illegitimate promotion and sale of Internet services. Texas prays that Defendants be ordered to disgorge all monies taken from consumers as a result of Defendants' deceptive practices, together with all the proceeds, profits, income, interest, and assets acquired with the proceeds of Defendants' deceptive practices. Texas further prays that the Court enjoin Defendants from transferring, moving, concealing, spending, or withdrawing funds derived from the leasing of deceptively acquired SIM cards to the public.

XII. APPLICATION FOR EX PARTE TEMPORARY RESTRAINING ORDER, TEMPORARY INJUNCTION, PERMANENT INJUNCTION, AND ASSET FREEZE

12.1 The State of Texas has reason to believe that the Defendants are engaging in, have engaged in, and will continue to engage in acts and practices unlawful under the DTPA. Texas believes these proceedings to be in the public interest. Therefore, pursuant to DTPA §§ 17.47(a) and 17.60(4), Texas requests relief by way of a Temporary Restraining Order, Temporary Injunction, and Permanent Injunction as set forth in the Prayer.

12.2 In addition to restraining Defendants' conduct to prevent future deceptive acts and harm to consumers, Texas requests immediate relief to preserve and protect the monies obtained by Defendants in violation of the DTPA. The Defendants own or control numerous other businesses which have various physical locations and bank accounts through which Defendants can hide funds and other valuable assets.⁴³ It is likely that the Defendants will dissipate or conceal these monies

⁴³ Exhibit 2, ¶ 29-81.

prior to trial based on current and former conduct,⁴⁴ including convictions for wire fraud,⁴⁵ excessive use of company funds for personal use,⁴⁶ and prior refusal to pay court ordered judgements, evidenced by a DOJ tax lien for \$9,182,000.00.⁴⁷ Therefore, pursuant to DTPA § 17.47(d), Texas requests that these monies be frozen pending trial for consumer restitution.

12.3 Texas believes immediate injunctive relief by way of Temporary Restraining Order and Temporary Injunction is necessary to prevent continuing harm prior to trial.

12.4 The Court shall issue such injunctive relief without requiring a bond from the Plaintiff. DTPA § 17.47(b); Tex. Civ. Prac. & Rem. Code § 6.001(a).

XIII. REQUEST TO CONDUCT DISCOVERY PRIOR TO TEMPORARY INJUNCTION HEARING

13.1 Texas requests leave of Court to conduct depositions of witnesses and parties prior to any scheduled Temporary Injunction Hearing and prior to Defendants' answer date. There are several witnesses who may need to be deposed prior to any scheduled injunction hearing. Any depositions, telephonic or otherwise, would be conducted with reasonable, shortened notice to Defendants and their attorneys. Also, Texas requests that the filing requirements for business records and the associated custodial affidavits be waived for purposes of all temporary injunction hearings.

XIV. TRIAL BY JURY

14.1 Texas herein requests a jury trial and tenders the jury fee to the Comal County District Clerk's office pursuant to Texas Rule of Civil Procedure 216 and Texas Government Code § 51.604.

⁴⁴ Exhibit 2, ¶¶ 8-12, 14.

⁴⁵ Exhibit 2, ¶ 15, Ex. G.

⁴⁶ Exhibit 2, ¶ 28-79.

⁴⁷ Exhibit 2, ¶ 16, Ex. H.

XV. CONDITIONS PRECEDENT

15.1 All conditions precedent to Texas' claims for relief have been performed or have occurred.

XVI. PRAYER

16.1 Texas prays that Defendants be cited according to the law to appear and answer herein.

16.2 Texas prays that the Temporary Restraining Order be issued; that after due notice and hearing, a Temporary Injunction be issued, and upon final hearing, a Permanent Injunction be issued, restraining and enjoining Defendants, Defendants' officers, agents, servants, employees, attorneys—and any other person in active concert or participation with any or all Defendants—from engaging in the following acts or practices without further order of the Court:

(a) Deleting and editing any data or communications pertaining to any suppliers of telecommunication equipment providers on any phones or electronic devices used by any Defendants;

(b) Transferring, concealing, destroying, or removing from the jurisdiction of this Court any books, records, documents, invoices or other written materials—including electronic documents—relating to the purchase and sale of telecommunication equipment, including SIM cards, Wi-Fi routers or modems, that are currently or hereafter in any of the Defendants' possession, custody or control except in response to further orders or subpoenas in this cause;

(c) Transferring, spending, concealing, encumbering or removing from the jurisdiction of this Court any money, stocks, bonds, assets, notes, equipment, funds, accounts receivable, policies of insurance, trust agreements, or other property, real, personal or mixed, wherever situated, belonging to or owned by, in possession of, or claimed by any of the Defendants, insofar as such property relates to, arises out of or is derived from the business operations of Defendants except in response to further orders by the Court;

- (d) Selling or offering for sale telecommunication services, including but not limited to high-speed wired or wireless internet, and cellular plans, without authorization;
- (e) Manufacturing, purchasing, distributing, delivering, offering for sale, holding, selling, or giving away any product that is intended telecommunications or wireless data transmission without authorization;
- (f) Representing, directly or indirectly, that goods have characteristics, ingredients, uses, or benefits, which they do not have by advertising, offering to sell, or selling any products without first obtaining authorization to resell or lease said item;
- (g) Offering for sale or selling products intended to serve as alternatives to traditional internet or telecommunication providers;
- (h) Offering for sale or selling products that are false, misleading, or deceptive because the labeling lacks the name and address of the manufacturer, packer or distributor; and a statement of the identity of the commodity;
- (i) Failing to disclose information regarding possible consequences of Defendants' services, including internet connectivity issues, sudden throttling, or unexpected account deactivation, which information was known or reasonably should have been known at the time of the transaction, if such failure to disclose was intended to induce the consumer into a transaction into which the consumer would not have entered had the information been disclosed; and
- (j) Failing to cooperate with authorized representatives of the State and Comal County, including law enforcement representatives, in locating and impounding all telecommunication products in Defendants' custody, care and control or located on

Defendants' premises and preserving all documents related to purchase and sale of telecommunication products in Defendants' custody, care or control.

16.3 Texas further prays that this Court award judgment on its behalf as follows:

(a) Order Defendants to pay civil penalties to the State of Texas for each violation of the DTPA up to a total of \$10,000 per violation;

(b) Order Defendants to restore all money or other property obtained from consumers by means of unlawful acts or practices, or in the alternative award judgment for damages to compensate for such losses or, in the alternative, order disgorgement of all sums, monies, and value taken from consumers by means of deceptive trade practices, together with all proceeds, interest, income, profits, and accessions thereto; making such disgorgement for the benefit of victimized consumers and Texas;

(c) Place an equitable lien and constructive trust on all of Defendants' assets, personal property, and real property, and grant the State an interest in said assets and property; and

(d) Order Defendants' assets be repatriated into the jurisdiction of the Court.

16.4 Texas further prays that upon final hearing that this Court order each Defendant to pay Texas' attorneys' fees and costs of court pursuant to Texas Government Code § 402.006(c). Texas further prays for recovery of reasonable attorneys' fees, investigative costs, court costs, witness fees, and deposition fees pursuant to Texas Civil Practice & Remedies Code § 125.003(b) and (d).

16.5 Texas further prays that this Court grant all other relief to which it is entitled.

Respectfully submitted,

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