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STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Pamela Conley
4841 Vista Street
San Diego, CA 92116

Margaret Boyes
4857 Vista Street
San Diego, CA 92116

Patti Prizler
19832 Scenic Bay Lane
Huntington Beach, CA 92648

Carmen Kuys
23412 Pacific Park Drive #39A
Aliso Viejo, CA 92656

DESIST AND REFRAIN ORDER
(For violations of sections 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

1. Pamela Conley is an individual who currently resides at 4841 Vista Street, San Diego, California 92116.
2. Margaret Boyes is an individual who currently resides at 4857 Vista Street, San Diego, California, 92116.

- 1 3. Patti Prizler is an individual who currently resides at 19832 Scenic Bay Lane, Huntington
2 Beach, California, 92648
3
- 4 4. Carmen Kuys is an individual who currently resides at 23412 Pacific Park Drive #39A,
5 Aliso Viejo, California, 92656.
6
- 7 5. During 2001, 2002, and 2003, Conley, Boyes, Prizler, and Kuys were active participants
8 in an organization operating under the name of Women Helping Women (WHW), Women
9 Empowering Women (WEW), Women Helping Women Dinner Party (DP), or The
10 Women's Garden Party or Garden Circle (WGP).
11
- 12 6. WHW, WEW, DP, and WGP operated as a pyramid scheme.
13
- 14 7. Women in these groups operated by inviting women to a "potluck" gathering at
15 individual's homes and/or community centers or conference rooms. The gathering was
16 described as a "support group." During the gatherings, women would be recruited to
17 contribute money to the group.
18
- 19 8. New members to the group contributed an amount from \$625 (1/8 a share) to \$5,000 (1
20 full share) to join at the lowest level, then moved up level by level by bringing in new
21 contributors until, theoretically, they reached the top of the pyramid and received a payoff,
22 called a "birthday," of as much as \$40,000. The DP group used metaphors for the levels
23 such as "appetizer," "soup and salad," and "entrée." The WGP used metaphors for the
24 levels such as "bud," "bloom," and "bouquet."
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- 26 9. Members moved through the levels by recruiting new members for the lower levels. It
27 appeared often that the promoters of these groups committed fraud in order to secure
28 payoffs regularly for themselves instead of the women going through the levels.

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10. New members of these groups were told that the scheme is a charitable activity to help women in need and that the “gifts” of up to \$5,000 each did not need to be reported to the Internal Revenue System.
11. These groups kept charts of the pyramid and who had given what amount and assigned women to be “monitors” of the charts to keep track of who was in line for a “birthday.” Women were encouraged, if not directed, not to use their full name, but only their first name and last initial on the charts. They were often encouraged to make up a name for use on these charts.
12. Initially, women who first joined these groups were able to find recruits with promises of large returns for small amounts invested. New recruits would come to a meeting where a member would have a “birthday” and receive up to \$40,000 cash. New recruits filled the charts creating pyramids that allowed many women to be paid “birthday” prizes.
13. Eventually, however, mathematic reality occurred and the newer members ran out of women to recruit. At this point, the pyramid scheme collapsed and all the women on the bottom of the pyramid lost their investment in the scheme.
14. During 2002 and 2003, a large, but unknown number of women fell victim to the pyramid scheme of WHW, WEW, DP, and WGP and lost anywhere from hundreds to tens of thousands of dollars each.
15. Conley, Boyes, Prizler, and Kuys all actively participated in leadership roles in Southern California groups entitled WHW, WEW, DP, or WGP. Each of the named individuals also received “birthday” gifting from the scheme.

1 16. Conley, Boyes, Prizler, and Kuys each actively participated in giving women (new
2 recruits) information at meetings and through e-mail that included the following facts: the
3 group was not a pyramid scheme; the group was a “charitable organization;” women
4 joined not expecting to make money; and the amount “gifted” or given to the group was
5 not an “investment.” At the time of these statements, each of the individuals named did in
6 fact know that the group was paying women for their “birthday” with money coming from
7 new recruits, thus the investment scheme did operate as a pyramid scheme. Each of the
8 individuals named also had joined and were members of the group in order to make
9 money and brought in new recruits with the advertisement of making eight times the
10 amount invested.

11
12 17. Pursuant to state law and federal case law, pyramid schemes are securities and are
13 inherently fraudulent.

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15 18. Neither Conley, Boyes, Prizler, nor Kuys is licensed or authorized to sell securities in
16 California.

17
18 Based upon the foregoing findings, the California Corporations Commissioner is of the
19 opinion that investments in WHW, WEW, DP, or WGP were securities in the form of investment
20 contracts that were being offered by inter alia, Pamela Conley, Margaret Boyes, Patti Prizler, and
21 Carmen Kuys in issuer transactions in California without the sales having been qualified, in violation
22 of Corporations Code section 25110.

23
24 In addition, the Commissioner is of the opinion that the securities were being offered by inter
25 alia, Pamela Conley, Margaret Boyes, Patti Prizler, and Carmen Kuys by means of verbal and written
26 communications that included untrue statements of material fact and omissions of material facts in
27 violation of Corporations Code section 25401.

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