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20 **North, Central American and Caribbean**
21 **Association Football**

22 UNITED STATES DISTRICT COURT
23 CENTRAL DISTRICT OF CALIFORNIA

24 The Confederation of North, Central
25 American and Caribbean Association
26 Football,

27 Plaintiff,

28 v.

Elmore Sports Group, Ltd.; Cartan Tours,
Inc.; iSportsMarketing, LLC; Gant
Travel, Ltd.; David G. Elmore; and
Daniel L. Gamba,

Defendants.

Case No. 2:15-CV-09774

COMPLAINT FOR DAMAGES

JURY TRIAL DEMANDED

1 1. This action is brought pursuant to 28 U.S.C. § 1332(a) by Plaintiff, the
2 Confederation of North, Central American and Caribbean Association Football
3 (“CONCACAF”), a not-for-profit Bahamian corporation with its principal place of
4 business in Miami, Florida, against Defendants Elmore Sports Group, Ltd. (“Elmore
5 Sports”), Cartan Tours, Inc. (“Cartan Tours”), iSportsMarketing, LLC
6 (“iSportsMarketing”), Gant Travel, Ltd. (“Gant Travel”), David G. Elmore (“Elmore”)
7 and Daniel L. Gamba (“Gamba”) (collectively, “Cartan”), each of which is diverse
8 from CONCACAF. CONCACAF seeks monetary and equitable relief to redress the
9 harms caused by Cartan’s fraudulent, unfair, and unlawful business practices. Those
10 practices include maintaining a clandestine, kickback-based, and parasitic relationship
11 with two of CONCACAF’s former executives, Jeffrey Webb (“Webb”) and Enrique
12 Sanz (“Sanz”), in which Cartan, Webb, and Sanz illicitly enriched themselves by
13 raiding CONCACAF coffers without the knowledge of CONCACAF’s executive
14 committee or other members of the CONCACAF staff.

15 2. Defendants were to provide travel, accommodation and event planning
16 services to CONCACAF for CONCACAF’s many events and meetings. The
17 logistical expense involved to move teams throughout numerous venues, for example,
18 was the largest category of expense CONCACAF had to incur. As explained in
19 greater detail below, despite not having the expertise to provide the breadth and scope
20 of services CONCACAF required or had enjoyed in the past, Webb and Sanz awarded
21 Cartan an exclusive arrangement to provide the logistic services required for all of its
22 events and meetings. But there was no RFP process, no CONCACAF staff with
23 expertise in travel logistics were involved in the selection of or negotiations with
24 Cartan, and no approval from CONCACAF’s Executive Committee (the “ExCo”) was
25 ever obtained.

26 3. Instead, Webb and Sanz engaged in their typical *modus operandi* of
27 obtaining kickbacks from large vendors wishing to do business with CONCACAF,
28 and Cartan was more than happy to oblige them, because Defendants acquired an

1 outrageously lucrative arrangement for themselves. For example, Cartan charged an
2 astounding 18% management fee for booking flights, when a typical travel agency,
3 like the one CONCACAF used before Cartan, charged a small per-transaction flat fee.
4 Cartan also charged CONCACAF an 18% management fee for its other event
5 management services while its competitors charged nothing close to that for similar
6 services previously provided to CONCACAF. Defendants, Webb and Sanz also
7 carefully orchestrated their scheme to undermine the ability of CONCACAF staff or
8 the ExCo to have any understanding of the true nature of the relationship: Cartan and
9 Webb and Sanz precluded staff from seeing contracts with third party vendors (like
10 hotels) or other receipts for charges CONCACAF paid through Cartan; Cartan
11 directed its agents to never discuss the full extent of their fees with CONCACAF;
12 CONCACAF directors responsible for events, who were initially effective at reducing
13 costs, were no longer allowed to review Cartan invoices; and financial reports to the
14 ExCo were scrubbed to avoid providing any detail that could have otherwise raised
15 suspicions.

16 4. In a highly-publicized sting on May 27, 2015 in Zurich, Switzerland,
17 Webb and certain other high ranking executive committee members attending the
18 Congress of Federation Internationale de Football Association (“FIFA”) were arrested
19 by Swiss authorities at the request of the United States Department of Justice (“DOJ”),
20 alleging a series of commercial bribery and kickback schemes that Webb and his co-
21 conspirators, including Sanz, had used to victimize CONCACAF and other soccer
22 entities over the years. The DOJ announced on December 3, 2015 that Webb pled
23 guilty to racketeering conspiracy, fraud and money laundering charges – including
24 kickback and commercial bribery schemes – which breached his fiduciary duties to
25 CONCACAF. Once Webb and Sanz were no longer at the helm of CONCACAF, it
26 eventually became clear these two corrupt ex-officers similarly infected other vendor
27 relationships with their nefarious self-dealing and kickback schemes, including their
28 improper dealings with Cartan.

1 5. Defendant Cartan's improper conduct was intentional, deceptive and
2 designed to benefit themselves to the detriment of CONCACAF. This conduct ranged
3 from overrunning cost projections to gerrymandering invoices to outright lies. As
4 detailed below, the Cartan relationship with CONCACAF was a distorted one-sided
5 affair in which Cartan used CONCACAF as a proverbial cash cow, overinflating
6 charges, overstaffing events, and increasing CONCACAF's logistical expenses
7 because Cartan received an 18% management fee on top of every dollar CONCACAF
8 spent on logistics for its events, large and small. Indeed, the expenses of
9 CONCACAF's premier event – the Gold Cup – increased over 100% from the 2011
10 Gold Cup to the 2013 Gold Cup once Defendants scheme was in place. Although
11 Cartan was given an exclusive arrangement, with a huge captive volume of business,
12 Cartan charged super-inflated prices, and they were able to keep on charging
13 CONCACAF those outrageous fees even though Cartan services were poor and
14 inferior to what CONCACAF staff and other vendors previously provided for
15 CONCACAF events and meetings. No rational business would have tolerated this
16 new arrangement with Cartan. There is only one reason that Cartan was able to
17 continue this scheme: it had a secret deal with Webb and Sanz to pay them off.

18 6. As a consequence of this commercial bribery scheme, CONCACAF has
19 been significantly damaged, and it is entitled to restitution of the illicit overpayments
20 and profits paid to Cartan and payments made to Webb and Sanz, as well as to an
21 award of punitive damages as a message to Cartan and others that they cannot get
22 away with victimizing sports organizations like CONCACAF, its member soccer
23 associations most of which depended on CONCACAF for a large portion of their
24 funding, and indeed, all of the soccer fans who at the end of the day are also victims of
25 Cartan's misconduct. CONCACAF therefore seeks compensatory and punitive
26 damages in an amount to be determined at trial, but not less than \$50 million.

JURISDICTION AND VENUE

1
2 7. This Court has jurisdiction over the subject matter of this action pursuant
3 to 28 U.S.C. § 1332(a)(2) because CONCACAF is the subject of a foreign state with
4 U.S. headquarters in Miami, Florida, each of the Defendants is a citizen of and resides
5 in Los Angeles County, California, or in Indiana, making the parties diverse, and the
6 matter in controversy exceeds \$75,000.

7 8. Venue is proper in this District under 28 U.S.C. §§ 1391 (b)(1)-(2) and
8 (d) because a substantial part of the acts giving rise to this claim occurred in this
9 jurisdiction, and because Defendants reside in this District for venue purposes.

10 **PARTIES**

11 9. CONCACAF is a not-for-profit football organization that administers the
12 sport regionally across 41 member associations. Headquartered in Miami, Florida and
13 incorporated in the Commonwealth of the Bahamas, CONCACAF manages regional
14 competitions, provides training, and fosters grassroots and youth participation in the
15 sport.

16 10. On information and belief, Defendant Elmore Sports Group is a
17 corporation organized and existing under the laws of Delaware, with its principal
18 place of business in Manhattan Beach, California.

19 11. On information and belief, Defendant Cartan Tours is a corporation
20 organized and existing under the laws of Delaware with its principal place of business
21 in Manhattan Beach, California.

22 12. On information and belief, Defendant iSportsMarketing is a corporation
23 organized and existing under the laws of Texas with its principal place of business in
24 California.

25 13. On information and belief, Defendant Gant Travel is a corporation
26 organized and existing under the laws of Indiana with its principal place of business in
27 Bloomington, Indiana.

1 14. On information and belief, Defendant Elmore is an individual, a citizen
2 of the state of California, and the owner and Chief Executive Officer of Elmore Sports
3 Group and Cartan Tours.

4 15. On information and belief, Defendant Gamba is an individual, a citizen
5 of the state of California, and at all times relevant to this complaint employed as the
6 Executive Vice President at Cartan Tours, and a Managing Director of
7 iSportsMarketing.

8 16. At all relevant times, Defendants Cartan Tours, iSportsMarketing, Gant
9 Travel, Elmore and Gamba were subsidiaries, members, officers or otherwise
10 affiliated with Elmore Sports Group and/or acted in concert with them and each other
11 to commit the fraud and other tortious acts against CONCACAF alleged herein.
12 Defendants’ alleged acts and omissions have been committed collectively by all
13 Defendants, all of whom are collectively referred to as “Cartan” herein, unless
14 particular allegations are otherwise specifically limited.

15 **GENERAL ALLEGATIONS**

16 **CONCACAF**

17 17. CONCACAF is the not-for-profit continental governing body for
18 association football in North America, Central America and the Caribbean.
19 CONCACAF is one of six confederations of FIFA, which identifies itself as
20 football’s international governing body. The term “football” as used herein refers to
21 what in the United States is often referred to as “soccer,” but throughout the rest of
22 the world is referred to as “football.” CONCACAF is composed of 41 member
23 associations, each representing organized football in a particular nation or territory
24 in North America, Central America, and the Caribbean.

25 18. CONCACAF manages competitions, offers technical and administrative
26 training courses for football clubs and actively promotes the development of football
27 throughout the region. On a biennial basis, CONCACAF hosts and arranges the Gold
28 Cup, a month-long tournament for the region’s national football clubs hosted across

1 13 different cities in the United States, including California. In October 2015, the
2 last two Gold Cup winners, the United States and Mexico, held a play off game at the
3 Rose Bowl for the winner to participate in a FIFA-sponsored Confederations Cup.
4 CONCACAF also hosts and arranges an annual Champion's League tournament, in
5 which the best professional football clubs in the region participate. CONCACAF
6 also has an annual meeting of its Congress, attended by representatives from each of
7 the member associations, staff and others.

8 19. Funds generated from CONCACAF events are not held as corporate
9 profits, but rather are utilized to support CONCACAF operations, and provide
10 financial support to these member associations in many forms. For example,
11 CONCACAF provides funds and tournament prize monies which are typically used
12 for youth programs, infrastructure, referees, sports integrity, and other development
13 purposes. Increased logistical costs for events directly impacts the amount of funds
14 available for these and other CONCACAF operations as well as the funding available
15 to member associations and any CONCACAF programs designed to assist football
16 teams, clubs, youth and overall fan support for football throughout the CONCACAF
17 region. The more money paid to Defendants, the less money available to fund
18 CONCACAF to use for these purposes.

19 20. CONCACAF is managed by an Executive Committee ("ExCo"), a board
20 responsible for administering CONCACAF, and the President, an officer elected by
21 the member associations to engage in executive decision-making on behalf of the
22 ExCo. CONCACAF appoints a General Secretary charged with assisting the
23 President and the ExCo in administering CONCACAF. CONCACAF also is
24 governed pursuant to a number of statutes and codes adopted by its Congress,
25 including a Code of Ethics, all of which are published on CONCACAF's website and
26 available to the general public. As a confederation of FIFA, CONCACAF is also
27 subject to the FIFA Statutes and governing regulations of FIFA, including the FIFA
28

1 Code of Ethics, all of which are published on FIFA’s website and available to the
2 general public.

3 21. The growth of CONCACAF and the popularity of football in the region
4 unfortunately attracted individuals seeking to improperly profit from it. In 2012, after
5 Jack Warner resigned as CONCACAF’s President following revelations regarding his
6 numerous self-serving and corrupt schemes, Webb was elected as President and Sanz
7 was appointed General Secretary. Both promised to usher in a new era of
8 transparency and reform for CONCACAF. In keeping with their promise of reform,
9 Webb and Sanz established an Integrity Committee to investigate and provide
10 recommendations with respect to corporate governance and other issues to address
11 past misconduct of the former President and General Secretary. To that end, Webb
12 and Sanz were also cognizant of the efforts that were undertaken to conduct the
13 investigation, including the collection and review of CONCACAF financial records
14 and communications, including emails.

15 22. Webb and Sanz, however, never intended to practice what they preached.
16 They used the Integrity Committee investigation and pronouncements of reforms to
17 cloak their misconduct from the ExCo and CONCACAF staff.

18 23. Webb and Sanz’s willingness to betray CONCACAF and the sport of
19 football in their “pay to play” schemes of bribes and kickbacks is described in the
20 Department of Justice’s 47-count indictment, filed on May 20, 2015 (the
21 “Indictment”), which resulted in Webb’s arrest, on May 27, 2015, as well as a 236
22 page Superseding Indictment that was unsealed by the DOJ on December 3, 2015.
23 The Indictment and Superseding Indictment not only provide details of Webb’s
24 alleged crimes, but also provide insight into the harm caused to CONCACAF as a
25 victim of Webb’s financial crimes.

26 24. The Superseding Indictment also alleges that Webb, Sanz and their co-
27 conspirators “engaged in conduct designed to prevent the detection of their illegal
28 activities, to conceal the location and ownership of proceeds of those activities, and to

1 promote the carrying on of those activities” (Superseding Indictment, ¶ 96) – conduct
2 that Webb and Sanz also engaged in with respect to their illicit arrangement with
3 Cartan. The Indictment and Superseding Indictment go on to implicate Sanz as an
4 unnamed co-conspirator who facilitated the commission of the alleged bribes and
5 kickbacks, some of which began decades ago. The Indictments detail the *modus*
6 *operandi* of Webb and Sanz, demanding kickbacks and bribes in exchange for doing
7 business with CONCACAF, and employing elaborate schemes through third parties
8 and others to obfuscate payments, often utilizing bank accounts in Panama, a country
9 with heightened bank secrecy laws. Internet reports show that Cartan had a presence
10 in Panama as well. As noted above, on December 3, 2015 the DOJ also announced
11 that Webb pled guilty to a racketeering conspiracy charge, three counts of fraud and
12 three counts of money laundering with respect to these many “pay to play” schemes.

13 25. Webb and Sanz used the power of their positions for selfish profiteering
14 and misconduct at the expense of CONCACAF. From 2012 to 2015, Webb and Sanz
15 monitored committee meetings and instructed employees to doctor financial reports
16 provided to the ExCo to hide the nature of their relationship with vendors, including
17 Defendants here, *i.e.*, Cartan. None of those vendors should be allowed to profit from
18 the massive conspiracy and fraud they engaged in that victimized CONCACAF, its
19 member associations and the countless soccer enthusiasts and fans it serves.
20 Accordingly, CONCACAF has brought this lawsuit against the Cartan Defendants to
21 right those wrongs by asking a jury to award compensatory and exemplary damages
22 against Defendants.

23 Cartan

24 26. According to its website, Cartan Tours is a group of companies engaged
25 in the business of providing travel and accommodation arrangements, and allegedly
26 specializing in “exclusive and official travel and ticketing services” to high profile
27 sporting events including the Olympic Games and the World Cup. Cartan Tours
28 provides small hospitality packages for families or corporate groups. It is managed by

1 Elmore, its President and founder of Elmore Sports Group and co-director of
2 iSportsMarketing, the affiliate that issued invoices to CONCACAF for Cartan. When
3 he first joined, Gamba was only a Program Manager who helped arrange routine
4 small-group travel packages. As explained further below, eventually he was promoted
5 to Executive Vice President and co-director of iSportsMarketing but only after helping
6 to arrange the illicit scheme that caused CONCACAF to provide Cartan with a
7 lucrative, exclusive arrangement as the provider of logistic-related services to
8 CONCACAF. Gant Travel provided airline ticketing services, with both Gant and
9 other Cartan employees reporting to Gamba and Elmore.

10 **Cartan, Webb and Sanz**

11 27. Upon information and belief, Cartan never maintained or executed a
12 business transaction of similar nature and scale as the one arranged with Webb and
13 Sanz. Prior to its involvement with CONCACAF, Cartan's customers were primarily
14 U.S. residents seeking to purchase resale tickets to the Olympics. Cartan did have
15 arrangements with certain entities, such as the U.S. Olympic Committee, for the
16 purchase of large blocks of tickets, which Cartan would resell to the general public.
17 Cartan also managed "hospitality suites" by setting up tents for corporate sponsors or
18 other large groups at major sporting events, such as FIFA matches or the U.S.
19 Olympics. However, prior to October 2012, Cartan never provided the kinds of travel,
20 accommodation and event management services it did for CONCACAF on an
21 exclusive, long-term basis, nor charged the kinds of management fees it did with
22 respect to the services it provided.

23 28. At the time, CONCACAF was not in need of Cartan's services, and
24 certainly not on an exclusive basis. Logistics for its events was by far CONCACAF's
25 largest category of expense. Prior to 2013, CONCACAF's staff booked all of the
26 every-day travel needs of the organization through a typical travel agency fee structure
27 where the agency charged an industry standard per-transaction fee, not one based on a
28 percentage of the bookings.

1 29. For accommodations, CONCACAF negotiated directly with hotels and
2 companies that provided ground transportation for its larger events and tournaments.
3 For event planning services required for larger events, such as the 2011 Gold Cup,
4 CONCACAF primarily utilized a company called Byrom—a reputable travel
5 management company used by FIFA—which had a proprietary event management
6 software that made coordination of events and bookings run smoothly for
7 CONCACAF. Byrom’s event services included managing the logistics of the events,
8 specific bookings of rooms for teams, meals and conference rooms for various
9 meetings, and addressing other amenities or logistical arrangements required to put on
10 a large tournament, including management of VIP services. Byrom provided full
11 copies of all signed hotel contracts and invoices by third parties to CONCACAF for
12 the 2011 Gold Cup. Byrom charged a management fee based on the hourly rates of
13 its staff. It did not separately charge for reconciling invoices and its fees after events.
14 Byrom’s management fee for the 2011 Gold Cup was a fraction of the management
15 fee Cartan later charged CONCACAF for the comparable 2013 and 2015 Gold Cup
16 tournaments. Indeed, upon information and belief, Byrom had an exclusive
17 arrangement with FIFA to provide event management services for the FIFA World
18 Cup events (which were much larger than the CONCACAF Gold Cup events) and
19 charged FIFA a management fee that was far less than what Cartan charged
20 CONCACAF.

21 30. The CONCACAF staff and ExCo who were responsible for the Gold Cup
22 were by and large satisfied with Byrom’s services, transparency and their valuable
23 event management software that allowed the events to run smoothly, and had no
24 material issues with Byrom.

25 31. Defendants, Webb and Sanz, however, recognized there was an
26 opportunity to enrich themselves by exploiting CONCACAF’s largest category of
27 expense if they could displace Byrom. The arrangement entered into by Elmore and
28 Gamba, by and through Cartan, with Webb and Sanz created a vastly greater source of

1 work and income of a scale and complexity that Cartan knew it could not competently
2 handle. Knowing that it was out of its league and could not possibly compete as an
3 above-board business or through a competitive bidding process, the Defendants
4 concluded that they had to do something illicit and improper—get the business by
5 paying off Webb and Sanz personally and secretly through bribes and kickbacks. The
6 special benefits provided to Webb and Sanz not only allowed Cartan to get an
7 exclusive arrangement to provide CONCACAF with all travel, accommodation and
8 event planning services, but it allowed Cartan to charge CONCACAF exorbitant
9 prices for its services, which Webb and Sanz approved and hid from the ExCo and
10 CONCACAF staff. Indeed, a normal exclusive arrangement for such services from an
11 inexperienced service provider lacking the proper expertise would be expected to
12 drive the fees down significantly in exchange for a guaranteed increase in the volume
13 of business being directed its way. But the opposite happened in this relationship.
14 CONCACAF was charged exorbitant prices far in excess of what it paid before, and
15 these excessive prices came in exchange for inferior service. No rational company
16 would ever have entered into an arrangement like this for such services.

17 32. There is only one possible explanation for such an economically
18 irrational arrangement: the relationship was equally lucrative for Webb and Sanz, who
19 received substantial, personal benefits from Cartan over the course of Cartan's
20 parasitic relationship with CONCACAF. Webb and Sanz were experts at creating
21 kickback and bribery schemes, and their relationship with Cartan, involving an
22 arrangement generating tens of millions of dollars, was no exception. Cartan's
23 scheme with Webb and Sanz was well outside the bounds of a legitimate business
24 agreement, arranging a flow of excessive and unreasonable funds from CONCACAF
25 to Cartan, and in turn, providing Webb and Sanz with kickbacks. Cartan's unlawful
26 and clandestine scheme was fraudulent from its inception in 2012, and secured a
27 staggering \$40 million of business from CONCACAF generating not less than \$10
28

1 million in illicit profits, payments and other overcharges to CONCACAF during the
2 nearly three years they were able to keep the scam alive.

3 **The Origins of Cartan’s Conspiracy with Webb and Sanz**

4 33. In 2009, Cartan lost a large source of income when the US Olympic
5 Committee denied their bid for the US ticket resale market for the 2012 London
6 Olympics, according to articles in the press. Cartan could not rely on getting this
7 lucrative future business from the U.S Olympic Committee in the near future. Upon
8 information and belief, Cartan was unsuccessful in finding a replacement for the lost
9 U.S. Olympic Committee business. So it had to look for new opportunities, but those
10 opportunities did not come by often, and, upon information and belief, Cartan did not
11 find anything close to the U.S. Committee arrangement until 2012—when it found
12 CONCACAF.

13 34. Cartan sent Gamba to the 2012 London Olympics. Gamba was not
14 Executive Vice President at that time, but an employee whose major function was to
15 host guests at the “Casa Cartan” hospitality tent, where he posed for photos and resold
16 pairs of tickets to particular sporting events. Gamba managed to resell some of these
17 tickets to Bruce Blake (“Blake”) and Canover Watson (“Watson”), two Cayman
18 Island Football Association (“CIFA”) officials attending the Olympics with Webb,
19 who also was CIFA President at the time and their close personal friend. CIFA is a
20 CONCACAF member association.

21 35. After meeting Watson, Gamba persistently emailed him and Blake to
22 arrange a meeting to discuss a purported “partnership” with Cartan’s Chairman,
23 Elmore. In August 2012, Watson and Webb met with Gamba at the May Fair Hotel
24 while in London. As a result of this secret meeting, Cartan was on its way toward
25 securing all of CONCACAF’s travel arrangement business for not only their first
26 event, but for every major CONCACAF event and competition for the foreseeable
27 future. On October 23, 2012, Sanz and Gamba met again, and agreed in an email that
28 CONCACAF would use Cartan for all their needs “from Staff travel to ExCo

1 Meetings, committee meetings, Congress and Gold Cup.” Although Sanz purportedly
2 confirmed CONCACAF’s willingness to enter into such an arrangement with Cartan,
3 no other CONCACAF staff or ExCo members were informed of the meetings, or such
4 an arrangement at or before the time this apparent commitment was made, even
5 though this arrangement involved millions of dollars with respect to the largest annual
6 category of expense CONCACAF incurred.

7 36. Gamba was subsequently rewarded for securing the CONCACAF
8 business with a promotion at Cartan to Executive Vice President that was announced
9 shortly after the October 23, 2012 meeting.

10 37. In early November, after this meeting, Sanz began to inform certain
11 staff members that he had retained a new service to provide logistical services to
12 CONCACAF. At that time, Ted Howard, CONCACAF’s Deputy General Secretary,
13 was told for the first time about the retention of Cartan for travel management. On
14 November 13, 2012, Gamba noted in an email to Sanz that they should get a
15 “contract” signed, and told Sanz that Watson (a man currently on trial for fraud as
16 the result of kickbacks associated with his own business dealings in the Cayman
17 Islands in which he is alleged to have diverted CIFA funds for Webb’s personal use)
18 was working on the agreement with Cartan’s lawyers. However, no such written
19 contract in fact existed, at least before a copy of a purported agreement was finally
20 provided to CONCACAF staff in September 2014. Moreover Watson, while a
21 personal friend of Webb, was neither a lawyer, nor a person with any relevant
22 experience to make him competent enough to handle legitimate negotiations
23 regarding travel, accommodation or event planning services. Rather, Watson and
24 Webb were experts at creating schemes for kickbacks and commercial bribes in
25 exchange for lucrative contracts.

26 38. When Sanz emailed Webb on November 15, 2012 concerning the
27 significant logistics to be worked out between Cartan and CONCACAF, Webb
28 cautioned: “lots to discuss before moving forward.” Upon information and belief,

1 what needed to be more firmly discussed “before moving forward” were the details of
2 the scheme. As with the other lucrative financial agreements that personally and
3 illicitly benefitted Webb and Sanz, the parties needed to discuss the details of the
4 kickback scheme that would ensure Cartan would arrange for kickbacks and/or other
5 improper remuneration to Webb and Sanz before Cartan began its work in earnest.

6 39. On December 3, 2012, Watson helped facilitate a meeting between
7 Webb, Elmore and Gamba, to discuss the terms of their deal behind closed doors
8 before “moving forward.” Shortly after the meeting, Sanz announced Cartan’s
9 appointment as CONCACAF’s exclusive logistics agency to CONCACAF’s staff
10 more broadly. Upon information and belief, the final terms of the arrangement to
11 provide kickbacks and/or other improper remuneration to Webb and Sanz had been
12 agreed to and/or confirmed at that meeting. None of the true terms discussed at this
13 clandestine meeting were provided to the CONCACAF ExCo, nor CONCACAF
14 staff. Cartan, Webb, and Sanz’s deliberate secrecy and omissions regarding their
15 arrangement, and the true reason behind Cartan’s retention, were a central
16 component of their fraudulent scheme.

17 40. In contrast to the completely behind-closed-doors agreement between
18 Webb, Sanz, and Cartan, other major contracts at least went through an RFP process
19 that included input, vetting, review and approval from the ExCo members, attorneys
20 for CONCACAF, and/or knowledgeable CONCACAF staff who participated in the
21 negotiations or review of those agreements. The Cartan deal also diverged from other
22 major contracts at CONCACAF because Cartan, Webb and Sanz caused CONCACAF
23 to pay Cartan and its affiliate Defendants hand-over-fist for at least the first year
24 without any written agreement in place, let alone an agreement that fully disclosed the
25 actual terms of the parties’ relationship.

26 41. Cartan, Webb and Sanz intentionally concealed the full scope and true
27 terms of the arrangement at Cartan’s behest and/or with Cartan’s knowledge, and
28 otherwise minimized the ExCo’s ability to understand it. Sanz had financial

1 presentations to the ExCo scrubbed of any details which could have exposed the
2 sheer expense of the Cartan relationship. He instructed CONCACAF's finance
3 employees to shade Cartan's charges, already intentionally produced without detail
4 by Cartan to facilitate such obfuscation, so that Cartan-related costs were not
5 separately identified.

6 **The Cartan Scheme Beginnings and the Panama Congress**

7 42. Cartan initially began its work by providing transient travel services for
8 CONCACAF. In December 2012, Sanz informed CONCACAF staff that Cartan had
9 been "appointed" CONCACAF's new agency to deal with travel and accommodations
10 needs as part of the new structure at CONCACAF. However, at this point there was
11 no written agreement in place, and Sanz never explained to anyone why this new
12 agency was being appointed, what the terms and conditions of its services were, or
13 what Cartan's fee structure would be for these new services.

14 43. It was clear almost immediately that Cartan was not providing any
15 savings to CONCACAF under this new arrangement but instead causing dramatic cost
16 increases. In January 2013, for example, CONCACAF staff observed that Gant
17 Travel—who was doing all of the bookings for CONCACAF travel—did not have any
18 kind of special relationships with hotels to be able to secure favorable rates.
19 CONCACAF staff were able to book hotel rooms at much more favorable room rates,
20 for example, by calling directly rather than using Cartan.

21 44. This is not surprising. Cartan's scheme with Webb and Sanz created the
22 perverse incentive for Cartan to find the *highest* prices, because Cartan could charge
23 CONCACAF a hefty 18% on every booking. The more money CONCACAF had to
24 pay for travel and accommodations, the more money Cartan could skim from the top,
25 and the more money became available to pay kickbacks to Webb and Sanz.

26 45. Cartan began to send invoices to CONCACAF for the first time in
27 February 2013. However, Cartan never provided any evidence to CONCACAF to
28 corroborate any of the services provided. Instead, Cartan would merely provide

1 summaries of the charges incurred by CONCACAF for travel and accommodations.
2 Defendants would total the summary charges, and then add on their management fee,
3 which at first was close to 22%. In contrast, prior to Cartan CONCACAF always had
4 access to contracts with third party vendors like hotels for all of its events. Cartan
5 also routinely added charges for its staff—most of which was from a temporary work
6 force—thus increasing the final costs and ultimately receiving their management fee
7 percentage on every single dollar spent.

8 46. Sanz and Webb uniformly approved every invoice submitted by Cartan
9 during their tenure, without fail. Those two were the only ones at CONCACAF who
10 were authorized to pay (or reject) Cartan invoices.

11 47. Cartan's first major event for CONCACAF was the association's
12 Congress in Panama in April 2013. Webb opened the Congress stating, "Today's
13 Congress marks a defining moment for CONCACAF's vision of a truly transparent
14 future." However, we now know that the opposite was true: Webb and his
15 confederates (including Cartan) had no intention of sharing their backroom kickback
16 schemes. Despite CONCACAF employees' requests, Cartan intentionally never
17 provided or even allowed CONCACAF personnel other than Webb and Sanz to view
18 any contractual arrangements regarding hotel accommodations. This was in stark
19 contrast to the procedures that existed for the 2011 Gold Cup, when CONCACAF
20 received every hotel contract. Moreover, Cartan did not just leave CONCACAF
21 employees out of the loop but affirmatively instructed their travel agents not to discuss
22 its fees with CONCACAF employees when booking travel arrangements like flights
23 to keep them in the dark and avoid having CONCACAF employees demand Cartan
24 find lower prices.

25 48. When CONCACAF staff asked Cartan for executed hotel contracts,
26 instead of providing them, Cartan deliberately withheld the contracts from
27 CONCACAF employees. Cartan eventually provided only summaries that did not
28 show the full extent of the hotel agreement, impairing CONCACAF's ability to

1 confirm the veracity of Cartan invoices or to ensure the most favorable pricing was
2 being obtained by Cartan. Of course, the opposite was true: Cartan was doing
3 whatever it could to make sure CONCACAF was paying on the high-end of the
4 scale whenever possible.

5 49. CONCACAF employees escalated their concerns regarding the lack of
6 hotel contracts to Webb and Sanz. Instead of pressing Cartan on CONCACAF's
7 behalf, Webb and Sanz, with Cartan's knowledge and/or at Cartan's direction, shut
8 down any and all exchange regarding requests for contracts. To take but one example
9 of many, a staff member who emailed Gamba in February 2013 demanding a copy of
10 a hotel contract was hastily instructed by Sanz to send another email to Gamba stating
11 "DISREGARD."

12 50. Upon information and belief, as Cartan profited, Webb and Sanz
13 personally benefited. Despite growing complaints and questions among CONCACAF
14 employees, Gamba's influence with Webb and Sanz expanded. The two routinely
15 invited Gamba and Elmore to many CONCACAF events and he otherwise had easy
16 access to them.

17 51. Cartan also invoiced CONCACAF close to \$600,000 for the Panama
18 Congress event. Of that amount, over \$165,000 related to *Cartan's fees alone*,
19 including a \$93,000 management fee, and \$77,000 for payments related to Cartan
20 excessive staff at over-inflated hourly charges. Cartan separately invoiced
21 CONCACAF for airfare for this event, charging an additional 21.95% for
22 management fees related to its travel agency services—even though CONCACAF's
23 previous corporate travel agency fees were charged at a per-transaction basis of \$35 to
24 \$45 for domestic and international bookings, which would have resulted in
25 CONCACAF paying vastly lower prices had this been an above-board arrangement.

26 52. Although Cartan charged outrageously high rates, Cartan's performance
27 during Panama Congress was remarkably poor, and CONCACAF staff believed
28 Cartan was not up to the task and shared their views about Cartan with Webb and

1 Sanz. Nevertheless, Cartan’s role expanded while at the same time the ability of
2 CONCACAF staff to monitor costs and expenses decreased.

3 **2013 Gold Cup**

4 53. In 2013, Webb and Sanz selected Cartan to provide travel and
5 accommodation services for CONCACAF’s flagship event, the Gold Cup, despite
6 CONCACAF employees’ vocal criticism of Cartan’s dismal handling of the Panama
7 Congress and other events prior to the Gold Cup. Cartan controlled all travel and
8 accommodations for CONCACAF’s Gold Cup, while CONCACAF used two vetted,
9 reputable, and experienced outside vendors for VIP arrangements.

10 54. In the months leading up to the Gold Cup, Cartan artificially inflated the
11 invoices it sent to CONCACAF, billing CONCACAF for substantial sums without
12 any support, backup documentation, or receipts.

13 55. On March 1, 2013, Cartan sent CONCACAF a single sheet of paper
14 charging \$1,250,000 for “estimated” costs related to future Gold Cup hotel and
15 accommodations expenses, and then on June 7, 2013 invoiced CONCACAF for
16 another \$750,000 which it claimed was a deposit required by hotels for food and
17 beverage services. CONCACAF never provided advanced payments directly to a
18 travel service provider based only on such large “estimates” before, especially without
19 any backup hotel contracts justifying these large payments, or without a written
20 agreement in place with a vendor to which it was sending millions of dollars. This
21 advance of \$2 million provided a large, up front cash flow to Defendants—no doubt in
22 part to allow them to line the pockets of themselves and their co-conspirators, Webb
23 and Sanz, without any ability to trace how the money CONCACAF was paying
24 Cartan was being used.

25 56. Despite being told about troubling invoices and the staff raising concerns,
26 Sanz approved these invoices and instructed that they be paid without further inquiry.

27 57. When Ted Howard, CONCACAF’s Deputy General Secretary at the
28 time, asked Gamba for an estimate on the hotel rates for the 2013 Gold Cup that

1 Cartan was responsible for, he was astounded at what Cartan eventually provided:
2 Gamba's own work product containing hotel rates seemingly pulled out of thin air.
3 Cartan never sent a hotel contract or official estimate from a single accommodations
4 provider. Howard, observing Cartan's expensive rates, reminded Gamba, that "it was
5 you who told me that you could get rates below \$200 because we were all concerned."
6 In fact, the expensive Cartan hotel rates were before Cartan added on its hefty
7 management fee that would result in millions of additional expenses for the 2013 Gold
8 Cup – higher expenses CONCACAF had never incurred before for any other previous
9 Gold Cup. Indeed, CONCACAF was given no ability to negotiate Cartan staff levels
10 or staff rates, while being charged for pre- and post-event services (including Cartan's
11 "reconciliation" of advances CONCACAF paid and actual event costs). Cartan also
12 charged the 18% management fee to CONCACAF for travel and accommodations of
13 its own staff to these events. Cartan's creativity in finding new ways to charge
14 exorbitant prices to CONCACAF knew no bounds – precisely because their
15 relationship apparently had the secret protection of Webb and Sanz in exchange for
16 kickbacks or other compensation.

17 58. Similarly, after Cartan took over negotiations with private charter flight
18 providers, such as Miami Air, for the Gold Cup, Cartan's resulting "services" caused
19 CONCACAF to overpay for many of those flights. Moreover, Cartan billed
20 CONCACAF its management fee for these negotiations as well, even though
21 CONCACAF managed the relationship in-house as they previously did with all
22 charter flight arrangements without paying huge management fees to an outside firm.
23 The same was true with respect to ground transportation services.

24 59. Cartan's charges continued to add up outside of CONCACAF's line of
25 sight, until the final invoices arrived at CONCACAF. Cartan sent invoices to
26 CONCACAF throughout the summer of 2013 with increasingly high management
27 fees of 21.95%, and sometimes 25% or 33% - even higher than the 18% Webb and
28 Sanz appeared to have ultimately agreed to with Cartan.

1 60. Unaware of the nature of Cartan’s relationship with Webb and Sanz,
2 Beatriz Cosculluela (“Cosculluela”), CONCACAF’s Director of Finance, asked Sanz
3 for a written agreement with Cartan when she received the invoices with the varying
4 Cartan management fees—which as of June 2013 already totaled over \$5 million.
5 When Sanz asked Gamba about it, he claimed the right fee was 21.95%, and that Max
6 Mulvihill, Cartan’s Director of Finance, who had been discussing this with
7 Cosculluela, “isn’t aware of our agreement,” but that he “instructed Max not to
8 discuss this with Beatriz.” Cosculluela had been told by Sanz that there was an
9 agreement with Cartan, but he never provided the contract to her.

10 61. Cartan’s performance at the 2013 Gold Cup continued to be poor and
11 could not possibly justify the outrageously high management fees being charged to
12 CONCACAF. CONCACAF staff and even national football teams complained about
13 Cartan’s inability to secure proper accommodations, adequately provide meals at
14 hotels for teams and in one case, Cartan’s failure to arrive with transportation,
15 stranding a number of CONCACAF guests at the airport without a ride to their hotel.

16 62. Cartan’s overbilling and poor performance was in lockstep with the
17 secret agreement worked out between Cartan, Webb and Sanz, to personally benefit
18 the individuals involved, to the detriment of CONCACAF. FIFA’s own competition
19 directors began noticing and inquiring into the bizarre nature of the relationship
20 between Cartan, Webb and Sanz. Upon FIFA’s inquiry, Sanz told FIFA that
21 CONCACAF would no longer be using Cartan for any of their services, no doubt so
22 as to avoid any outside scrutiny of Cartan’s one-sided relationship with CONCACAF.

23 **The Defendant’s Scheme with Webb and Sanz included Bogus Invoices**

24 63. Nine months and nearly \$9,000,000 later, after Cartan misrepresented
25 prices; after Cartan refused to provide any backup supporting those high charges; after
26 Cartan’s management fees kept increasing and were clearly out of step with industry
27 pricing; and after Cartan failed to provide satisfactory services during the Gold Cup;
28 any other reasonable President or General Secretary would have fired Gamba, Elmore

1 and Cartan. Yet, instead of moving back to Byrom or another reputable service
2 provider, or even simply commissioning an RFP to all companies to ensure pricing
3 was fair, Webb and Sanz doubled down on their illicit relationship with Cartan.

4 64. Cartan continued the scheme and implemented further improper business
5 practices designed to defraud CONCACAF and benefit Cartan, and Webb and Sanz
6 personally. Cartan's "reconciliation" of Gold Cup costs—another outrageous cost for
7 CONCACAF, as CONCACAF paid Cartan for the time its own staff spent on
8 reconciling fees and event costs on top of which Cartan also charged their 18%
9 management fee—included a number of suspicious invoices and bizarre one-off
10 payments.

11 65. In August 2013, after a month of complaints from Cosculluela to Cartan
12 regarding the increasing and varying management fees, Watson asked her to stop
13 engaging Gamba, stating "I will deal with this." Watson needed less than an hour
14 with Elmore to discuss the increasing fees in the months prior to and during the Gold
15 Cup. After his talk with Elmore, Watson responded to Cosculluela stating that Cartan
16 agreed to readjust "all Cartan invoices since inception." Cosculluela calculated a total
17 of \$419,904.96 overpaid management fees to Cartan. Despite Cartan's representation
18 that it would refund to CONCACAF the portion of its charges that were over 18%,
19 this "refund" was swallowed up by Cartan's excessively priced invoices.

20 66. In light of Cartan's "reconciliation" and abject failures during the Gold
21 Cup, Sanz became worried when Cartan sent expensive gifts to CONCACAF staff in
22 September 2013, so much so that he privately emailed Webb and suggested that they
23 "spin" a message to staff that the gifts were sent to make amends for the problems
24 Cartan caused. Sanz was concerned that the Cartan gifts were not just a normal
25 course-of-business "thank you," but instead would raise questions about the true
26 nature of the Cartan relationship. Webb readily agreed with Sanz's "spin."

27 67. On October 4, 2013, in advance of the final payment for the 2013 Gold
28 Cup, Sanz sent an email to Cosculluela declaring "Need to send Cartan 200k today,"

1 without any specific reason why. Cosculluela wired the standalone payment to Cartan
2 the next day.

3 68. Not long after the payment, Gamba received notice of CONCACAF's
4 \$3.3 million dollar final Gold Cup payment. Gamba made another invoice change
5 when he responded with an updated balance on a previously paid invoice labeled
6 iSM2013-26v2, which had been reduced by Cosculluela to reflect the "credit" that
7 comprised the approximately \$400,000 Cartan had overcharged in fees. Gamba's
8 single-page, updated invoice, titled iSM2013-26v3, reflected an over \$400,000
9 *increase* from the original charge of \$860,000 on iSM2013-26v2 to \$1,284,715.77.
10 When Cosculluela pressed Gamba on the reason for the increase, Gamba emailed her,
11 copying both Watson and Sanz; Gamba stated that the increase resulted from a poor
12 estimation of the costs and that Cartan "realized the cost was going to be slightly
13 higher than estimated." The "support" for Gamba's invoice included extra costs in the
14 "Sub-Total" section of a summary sheet provided with the new invoice that did not
15 even add up to the total charged on the invoice.

16 69. Despite Cosculluela's concerns about the additional charges, Sanz, with
17 Cartan's knowledge and for his illicit benefit, directed Cosculluela to approve
18 Cartan's invoice for payment later that October, without any backup justifying the
19 cost increase. Together, these two October invoices resulted in a combined \$600,000
20 in unexplained "reconciled" payments for Cartan.

21 **Cartan's Secret Payment to CIFA on Webb's Behalf**

22 70. In 2013, the theme of CONCACAF's annual summit in October was
23 appropriately titled "Transformation through Partnership." Webb and Sanz extended
24 invitations to vendors keen at building "partnerships" with Webb and Sanz, such as
25 Elmore, Gamba, and Shakeel Khawaja from Forward Sports— upon information and
26 belief, another entity used by Webb to launder illicit payments, according to the
27 Indictment and Superseding Indictment.

28

1 71. Shortly after the Summit, and shortly after Cartan's additional \$600,000
2 in charges to CONCACAF, Cartan made a mysterious \$600,000 loan to CIFA, the
3 member association located in Webb's hometown of Grand Cayman and where Webb
4 was still acting president and Watson was treasurer. Public audits revealed that the
5 loans were originally documented as unsecured when they were dispersed from a
6 Panamanian bank account owned by Cartan on December 31, 2013. The Term Loan
7 Agreement dated December 31, 2013 was between CIFA and Cartan International
8 Management, Inc. for a total of \$600,000, signed by Bruce Blake on behalf of CIFA,
9 and Irena Abrego de Espinosa on behalf of Cartan. According to public internet
10 sources, Ms. Abrego de Espinosa was a "subscriber" – or person required to be
11 present to register a company under Panamanian corporate law – of the Cartan
12 affiliate in Panama responsible for extending the loan to CIFA.

13 72. Defendant Elmore made this payment via Cartan to CIFA at the request
14 of Webb and Watson. Upon information and belief, this payment was arranged in part
15 to ensure that Defendants' scheme with Webb and Sanz would continue into the
16 foreseeable future.

17 73. In December 2014, the loan documentation was altered purportedly to
18 create some kind of sponsorship for the construction of a National Training Center.
19 When the recent CIFA audits publicly revealed these loans had been converted to gifts,
20 Elmore was asked about the loan agreement. Elmore admitted to the auditors that
21 Cartan made a charitable donation of \$600,000 to CIFA in 2013, but apparently
22 denied any affiliation with Cartan International, a company incorporated in Panama on
23 May 23, 2013. Elmore further stated that Cartan does not have an account or office
24 location in Panama, but that the money was wired from a US bank account. However,
25 as noted above, at least one website reports Cartan International was incorporated by
26 Gamba and Elmore in Panama, with Espinosa as subscriber. Upon information and
27 belief, Cartan never provided any material amount of services to CIFA, nor did Cartan
28 widely publicize its fictitious charitable gift—which is what typically would be

1 expected of a corporate sponsor. For example, there was never any signage,
2 billboards, or any public disclosure by Cartan or CIFA regarding this so-called “gift”
3 from Cartan. That is because it was not a gift at all, but yet another form of graft and
4 illicit dealing between Defendants and Webb.

5 74. Cartan was not alone in providing a significant sum to Webb’s former
6 association. Forward Sports, the same vendor that met with Webb and Sanz during
7 the same week as Cartan in the fall of 2012, the same vendor that attended the Summit
8 with Cartan, also extended a \$600,000 loan to CIFA, on the same day as Cartan,
9 signed by the same Irena Abrego de Espinosa who signed the loan document on behalf
10 of Cartan. Notably, Forward Sports is also a company implicated in the Indictment
11 and Superseding Indictment as one possessing Panamanian bank accounts used to
12 effectuate several bribe payments received by Webb.

13 75. These transactions caused CIFA’s auditor to refuse to provide CIFA
14 with a clean audit, and it has been reported that CIFA provided information about
15 these transactions to the authorities in the Cayman Islands, who are presently
16 conducting an investigation on those transactions as a result.

17 **The Sham “Agreement”**

18 76. In April 2014, CONCACAF employees familiar with Cartan’s reputation
19 suggested to Webb and Sanz that an agreement with Cartan would be prudent to
20 protect CONCACAF from a continuance of Cartan’s practice of excessive overbilling
21 and unsupported invoices. Over the next eight months, Webb and Sanz dismissed
22 these comments and any inquiries regarding the existence of a contract. But, the
23 frequency of questions only continued to increase as CONCACAF employees geared
24 up for planning 2015 Gold Cup.

25 77. In August of 2014, CONCACAF’s directors including Cosculluela asked
26 Webb and Sanz, again, about the existence of an agreement with Cartan. To placate
27 these requests, Webb informed CONCACAF staff that a contract was being drafted.
28 A week later, Gamba visited the offices of CONCACAF, where he was becoming an

1 increasingly common fixture, and spoke with Cosculluela about the agreement. When
2 Cosculluela asked if a contract was completed yet, she was surprised when Gamba
3 told her “we’ve had a contract in place since January.” Cosculluela stated in an email
4 to other CONCACAF directors dated August 18, 2014, that she planned on asking
5 Gamba directly for the contract since he apparently had a copy for eight months while
6 no one at CONCACAF possessed a copy. Cosculluela concurrently attempted to find
7 a copy of the contract in CONCACAF’s offices; neither Sanz nor Webb, nor their
8 assistants, could locate copies of the written “agreement”.

9 78. The following month, CONCACAF’s directors raised another alarm to
10 Webb and Sanz regarding the Cartan relationship. In a September 19, 2014, email,
11 Jurgen Mainka, a CONCACAF director, was accidentally copied on a Cartan email
12 discussing prices charged for pre and post-event planning. In the email, Cartan staff
13 discussed costs for contracted staff for CONCACAF events. When questioned about
14 the proper billing rate, Cartan’s Director of Finance, Max Mulvihill, stated: “We need
15 to charge more than what we paid the temporary staff. I don’t know what the rate is,
16 previously I think *Daniel [Gamba] just put whatever he felt he could bill* but
17 something has to be agreed for a certain level of staffing.” (Emphasis added). This
18 was particularly egregious, because CONCACAF staff repeatedly complained that
19 Cartan’s regular practice was to overstaff events. And, given that Cartan not only
20 collected these additional and excessive staffing fees from CONCACAF, Cartan
21 charged CONCACAF their additional 18% management fee that applied to Cartan’s
22 staffing charges as well. If the previous cycles of billing were not alarming enough,
23 the email lays bare Cartan’s intentional overbilling and the prevailing view that
24 CONCACAF was a cash cow. While this email was forwarded to Webb and Sanz,
25 neither ever addressed the issue. The email was dismissed and ignored.

26 79. Concern about Cartan continued to increase among CONCACAF’s
27 employees, in part because Sanz’s absence due to illness prevented him from quelling
28

1 internal suspicion at CONCACAF as he had in the past. CONCACAF's directors
2 attempted to address the problems surrounding Cartan amongst themselves.

3 80. Gamba physically dropped off a copy of a purported written "agreement"
4 between Cartan and CONCACAF at CONCACAF's office on September 19, 2014.
5 This was the first time any written agreement surfaced even though CONCACAF
6 already paid millions of dollars to Cartan by that time, and CONCACAF employees
7 had been requesting an agreement with Cartan for over eight months. The "agreement"
8 was dated "as of January 1, 2014," but with no signature date or any indication of
9 when the agreement was actually signed. The purported agreement was executed by
10 Webb, Sanz, Elmore and Gamba.

11 81. The written document Gamba dropped off did not reflect a meeting of the
12 minds between Cartan and CONCACAF because no one at CONCACAF understood
13 what the true terms of the agreement were. Rather, the purported written agreement
14 served a discrete purpose of hiding the nefarious reality of the relationship between
15 Cartan and Webb and Sanz to the detriment of CONCACAF.

16 82. But the appearance of this purported agreement did little to satiate the
17 questions and suspicions. Fearing a repeat of the last two years, a group of
18 CONCACAF's directors which included Cosculluela, Mainka, and Inaki Alvarez
19 ("Alvarez"), a former Director of Programs for FIFA's World Cup, sought an
20 amendment to the so-called contract with Cartan. They requested a meeting with
21 Elmore and Cartan on October 20, 2014, to address the issues concerning the Cartan
22 relationship, particularly given that the contract had mysteriously appeared for the first
23 time just two weeks earlier.

24 83. Webb reluctantly agreed to allow staff to meet with Cartan, but he did not
25 attend that meeting. Nonetheless, Webb and Sanz made clear to CONCACAF staff
26 that they had to continue working with Cartan, and that they would not be working
27 with any other competing vendors.

28

1 84. For example, Byrom, FIFA's preferred travel provider who CONCACAF
2 had utilized in the past for event management services, reached out to Sanz in an
3 email on November 14, 2014, to determine whether it was true that Cartan had an
4 exclusive arrangement with CONCACAF. Sanz informed Byrom that the Cartan
5 agreement extended to future CONCACAF events, effectively squelching any
6 competition for Cartan. Byrom thereafter did no further business with CONCACAF.

7 85. Nancy Rispoli, Marriott's Account Executive, reached out to Webb after
8 hearing of Cartan's unwillingness to provide Marriott invoices for services provided
9 to CONCACAF. Rispoli offered to send the contracts from the Marriott directly to
10 CONCACAF staff, in an email to Webb dated December 12, 2014. But, to keep
11 CONCACAF from learning the extent of Cartan's fraud, Webb instructed Rispoli to
12 "work with and invoice Cartan directly." There was no legitimate business reason to
13 take steps to ensure CONCACAF staff could not have any ability to audit or confirm
14 the charges for various services in Cartan's invoices.

15 **Cartan, Webb, and Sanz Continue to Protect Their Arrangement**

16 86. While Webb, Sanz, and Cartan reluctantly agreed to the creation of an
17 "amendment" to the contract, they prevented the employees' efforts from entirely
18 unraveling their actual arrangement. Over the course of the negotiations, Webb and
19 Sanz were adamant about certain terms that benefited Cartan, and by extension
20 themselves, in the amendment. When repeatedly questioned about whether he truly
21 agreed to an 18% management fee during discussions of a possible amendment, which
22 was excessive to those who were responsible for CONCACAF's logistics, Webb
23 unequivocally affirmed his acceptance of the Cartan 18% management fee.

24 87. During the October 20, 2014 meeting, CONCACAF directors believed
25 they had obtained Cartan's agreement to provide them with backup receipts for the
26 charges being incurred, and to an agreement to negotiate fixed fees for pre and post-
27 event services. Negotiating fixed fees for that work was important to CONCACAF
28

1 staff because they had no ability to control Cartan staffing decisions, rates for
2 CONCACAF staff, or the time Cartan charged CONCACAF for reconciling invoices.

3 88. Despite this progress in the eyes of CONCACAF staff, it all turned out to
4 be a ruse, as Webb and Sanz, with Cartan's knowledge, made sure that they and
5 Cartan would continue the status quo notwithstanding any proposed amendment.

6 89. Alvarez, CONCACAF's new director of operations, was a particularly
7 vocal critic of Cartan and what he observed as a one-sided, dysfunctional relationship
8 that grossly and unfairly favored Cartan. Alvarez was a former FIFA executive
9 responsible for the logistics for major FIFA events like the World Cup when he
10 moved from FIFA to CONCACAF in or about July 2014. One of the first events he
11 worked on for CONCACAF was the Central American tournament known as the
12 "Copa Centroamericana", which took place in September 2014. Initially, Cartan
13 invoiced CONCACAF \$3 million for an "estimate" of that tournament. But in reality,
14 the costs were grossly overstated. One of the most egregious examples was ground
15 transportation, where Cartan was seeking to maintain its 18% management fee while
16 also subcontracting ground transportation to another company who separately sought a
17 15% management fee – which would have resulted in CONCACAF paying 33% in
18 management fees for ground transportation alone.

19 90. Alvarez saw right away that the ground transportation costs were grossly
20 excessive. He found a competitor to submit a competing bid – which resulted in
21 more than a \$500,000 in savings to CONCACAF, and *no* additional management fee.
22 Alvarez's intervention cost Cartan close to \$100,000 in lower management fees,
23 making Alvarez an obvious obstacle to the Defendants.

24 91. After his Copa Centroamericana experience with Cartan, Alvarez, like
25 other CONCACAF staff members, was looking for ways to avoid Cartan going
26 forward. On November 12, 2014, with no advance notice or context, Webb instructed
27 Alvarez to fly down the next day for a meeting in Jamaica on November 12, 2014.
28 When Alvarez arrived, he encountered both Webb and Gamba ready to meet him to

1 discuss the Cartan relationship. The three discussed Cartan’s role in CONCACAF
2 events. Alvarez pushed Gamba to accept that CONCACAF could use other outside
3 vendors to provide services such as charter flights and ground transportation as they
4 were outside Cartan’s expertise. Webb told Gamba to “play nice.” When Webb
5 reacted positively to Alvarez’s comments about using other outside vendors, Gamba
6 did not object. Alvarez thus thought he had the green light to separately arrange for
7 other third party providers outside of Cartan’s expertise, such as, for example, ground
8 transportation and negotiations with air charter services.

9 92. Shortly thereafter, Cartan returned a redline of the draft amendment
10 CONCACAF staff sent after their meeting with Cartan, reflecting what CONCACAF
11 staff understood were the agreed upon terms for a revision to the written “agreement”.
12 Significantly, in its redline markup Cartan struck out any reference to providing back-
13 up receipts to support invoices before invoices would be paid, and they added a brand
14 new term, Cartan was now going to be entitled to a \$300,000 retainer. When Webb
15 was shown the Cartan markup, he simply instructed the CONCACAF team to accept
16 all of Cartan’s changes—ignoring what CONCACAF staff had requested.

17 93. For much of 2014, Sanz had been out of the office for lengthy periods of
18 time due to his illness. As of January 1, 2015, however, he returned to the office full
19 time. When he returned, he found the CONCACAF staff concerned and more
20 suspicious of the Cartan relationship. Sanz recognized that he had to do something,
21 and in January 2015 solicited the CONCACAF directors for their views about the
22 situation with Cartan. Alvarez described the immense costs Cartan imposed on
23 CONCACAF and his sense that, within Cartan, “there seems to be a prevailing
24 attitude that CONCACAF is a cash cow.” Alvarez’s continued vocal criticisms of the
25 amendment negotiations applied pressure on Webb and Sanz’s ability to maintain the
26 status quo of their arrangement with Cartan.

27 94. Cartan provided Sanz with a way to reverse the progress made by
28 CONCACAF’s employees, and strengthen the agreement between Cartan, Webb, and

1 Sanz. On January 16, 2015, Cartan's attorney wrote a letter to Webb on behalf of
2 Cartan, informing him that CONCACAF violated the exclusivity provision of its
3 agreement with Cartan, and was required to use Cartan as the "sole and exclusive
4 provider of services." That letter alleged that CONCACAF staff used other travel
5 providers for events such as the Copa Centroamericana and a CONCACAF Workshop.

6 95. The incidents referred to in Cartan's legal letter involved Alvarez, who
7 found better and cheaper providers for the services Webb, Gamba, and he had
8 discussed and agreed could be used by vendors other than Cartan during their
9 November 12, 2014 meeting in Jamaica. Notwithstanding the fact Gamba did not
10 object to this arrangement at that meeting, Cartan's lawyer had sent this letter. Sanz
11 never bothered to check with Alvarez about Cartan's claims.

12 96. Webb and Sanz's campaign to ensure that CONCACAF staff did not
13 derail their own relationship with Cartan was ultimately successful. At the end of
14 January 2015, Sanz and Gamba spoke about the "issues" Gamba was having with
15 CONCACAF staff. Sanz thereafter issued a mandate to CONCACAF staff that all
16 travel was to be directed through Cartan without doing anything to address the many
17 complaints and issued about Cartan raised by CONCACAF staff. Two days after the
18 mandate to CONCACAF employees, Sanz responded in a single paragraph to
19 Cartan's lawyer, stating that "corrective action" was taken. Sanz never mentioned the
20 problems precipitated by Cartan at the expense of CONCACAF, no doubt because the
21 arrangement with Cartan was too personally profitable for Sanz and Webb to lose.

22 97. Without knowledge or approval of the ExCo, the amendment was
23 ultimately signed by Webb and Sanz while in Costa Rica where Webb spent most of
24 February meeting with a number of his friends and personal contacts, many of whom
25 are named in the Indictment for schemes involving kickbacks and bribes.

26 98. The document that resulted from the negotiations with Elmore and
27 Gamba was an amendment to an agreement that never existed in the first place. There
28 could never be a proper meeting of the minds between CONCACAF's team and

1 Cartan because the *actual* terms and conditions of this “agreement” were never known
2 or disclosed to CONCACAF. In fact, the purported agreement was between Webb,
3 Sanz and Cartan, and not CONCACAF.

4 99. For Cartan’s benefit, and with Cartan’s knowledge, Webb and Sanz
5 continued to take steps to prevent any future disruptions or questioning of the Cartan
6 arrangement.

7 100. For example, even though the CONCACAF team negotiated a “fixed fee”
8 for pre and post-event services and the right to review and approve contracts
9 associated with services, neither Sanz nor Webb *ever invoked* these provisions for a
10 single event or permitted the staff to engage in such negotiations even for the
11 upcoming 2015 Gold Cup, evidencing once again that the true terms of any
12 “agreement” were between Elmore, Gamba, Webb, and Sanz, and entirely undisclosed
13 and unknown to CONCACAF.

14 101. Sanz also instructed Cosculluela to not share or review Cartan’s invoices
15 with the program directors. Directors, still responsible for their event budgets, were
16 now entirely unable to review invoices relating to their largest expense even if only to
17 confirm the services Cartan was charging for were requested by those directors. And
18 Cosculluela was now unable to confer with directors regarding the accuracy of the
19 Cartan charges.

20 102. Cartan also had instructed its travel agents to not discuss fees for travel
21 with CONCACAF staff. Marjorie Burrell (“Burrell”), a Cartan employee installed at
22 CONCACAF’s Cayman office earlier in late 2013, was supposed to provide
23 convenience for CONCACAF staff travel bookings. However, as with all things
24 Cartan, it appeared her installation only served as a direct conduit for Cartan to bypass
25 CONCACAF staff when booking travel. Burrell, along with the other Cartan
26 employees, was instructed to not provide CONCACAF employees with any detail
27 regarding flight and travel fees. She also was used as a direct line by Webb to book
28 private trips and clandestine rendezvous for him and his numerous extramarital

1 girlfriends which would be surreptitiously paid for by CONCACAF, with Cartan also
2 charging CONCACAF its 18% management fee on top of those personal expenses
3 Cartan knew these expenses should not have been charged to CONCACAF.

4 103. Cartan also began inserting itself into any process or plan to find
5 alternative, cost-effective services. In planning transportation for the 2015 Gold Cup,
6 Alvarez secured alternatives for ground transportation without the use of Cartan—
7 even though Cartan would still be charging its 18% management fee on top of these
8 services. Gamba told Sanz he would help CONCACAF “evaluate” the current bids
9 received from service providers. After Gamba received all of the relevant information
10 from the previous two bids, he suggested a third, ostensibly unaffiliated provider
11 called MV Transportation (“MV”). However, after Gamba received Sanz’s approval
12 for MV’s bid, Howard and Alvarez discovered that the bid was prepared not by MV,
13 but by Cartan. MV also was the ground transportation company that Gamba intended
14 to utilize for the Copa Centroamericana until Alvarez derailed Gamba’s plan and
15 found a much more reasonably priced alternative. It was apparent that Gamba used
16 the confidential information from the other two bids to formulate a winning bid for
17 Cartan’s preferred provider, MV. Sanz selected MV anyway. Not surprisingly, MV
18 materially under-estimated the staff required for the Gold Cup, which was
19 supplemented by Cartan staff at much higher rates. As a consequence, CONCACAF
20 ended up paying far more for ground transportation for the 2015 Gold Cup, ultimately
21 increasing the Cartan fees being charged as well.

22 104. Leading up to the 2015 Gold Cup, Howard, Alvarez and the
23 CONCACAF team continued to request agreements and contracts from Cartan
24 regarding service and accommodations providers, to no avail. Cartan’s refusal to
25 provide contracts for auditing their expenses was coupled with Sanz’s claim that
26 Howard and Alvarez only “really need [a] summary of services/obligation and not the
27 executed agreement.” Such summaries made it impossible to verify any of the
28 charges being made by Cartan, or to review other material terms of the hotel contracts.

The Scheme's Unraveling

1
2 105. In May 27, 2015, with the 2015 Gold Cup a few weeks out, Webb was
3 arrested in a sweeping investigation that exposed a conspiracy in which Webb and
4 Sanz were central actors for accepting bribes and kickbacks. The Superseding
5 Indictment alleges that, together with their co-conspirators, Webb and Sanz were
6 accepted kickbacks estimated at more than \$200,000,000 from media rights and sports
7 marketing companies in kickbacks and bribes, as well as other misconduct that
8 victimized CONCACAF, FIFA and other football entities.

9 106. In the midst of the upheaval, CONCACAF still had to ensure the success
10 of its flagship and months-in-the-making event, the 2015 Gold Cup, scheduled to have
11 its matches begin the first week of July. CONCACAF had no choice but to continue
12 to utilize Cartan and figure out later whether Webb's and Sanz's "pay to play"
13 kickback schemes extended to Cartan as well.

14 107. CONCACAF began a review of the dealings of its former President and
15 General Secretary, including the arrangement with Cartan. CONCACAF's
16 subsequent review of invoices approved by Webb and Sanz showed not only an
17 affirmative disregard for the well-being of CONCACAF, but a willingness to use it as
18 a vehicle for personal profit. Review of the budgets presented to the ExCo committee
19 over the two years revealed that Webb and Sanz directed and monitored employees
20 responsible for creating the budgets. "Too much detail" was the phrase written in
21 email after email until the budget sufficiently buried Cartan's exorbitant costs under
22 the category "General and Administrative Expenses."

23 108. In August 2015 news reports surfaced revealing the suspicious loans
24 made to CIFA from two private companies, which CONCACAF since has confirmed
25 were Cartan and Forward Sports. Despite Cartan's denial of any association with a
26 bank account in Panama, the audit report disclosed that the money was wired from
27 their bank account located in Panama, where Cartan also had an office at the time.

28

1 109. Cartan’s use of Webb and Sanz to line its own pockets, not through the
 2 merits of arms-length business transactions, but through the medium of Webb and
 3 Sanz and their associates caused two years of turmoil for CONCACAF and the
 4 numerous associations and programs it administers. The scope of Cartan’s alleged
 5 fraud cost CONCACAF not less than a remarkable \$10 million in wrongful and
 6 abusive charges over two years, an amount that ultimately will be determined at trial.

7 110. Cartan pillaged CONCACAF while Webb and Sanz deliberately
 8 sabotaged attempts by CONCACAF’s employees and CONCACAF’s ExCo to
 9 determine the nature of the fraudulent scheme.

10 111. On November 30, 2015, after it was clear Cartan refused to take
 11 responsibility for its misconduct, and that Cartan’s history of gouging CONCACAF
 12 was vast, unauthorized and abusive, CONCACAF terminated the purported
 13 agreement with Cartan and all of its affiliates. CONCACAF now is back to paying
 14 market rates to a travel agent for air travel – a \$25 per transaction fee for domestic
 15 bookings.

FIRST CAUSE OF ACTION

**(Fraud in the Inception of the Engagement Against Elmore Sports Group,
 Cartan Tours, iSportsMarketing, and Gant Travel)**

19 112. CONCACAF hereby repeats and realleges, as if fully set forth herein, the
 20 allegations set forth in Paragraphs 1 through 111 above.

21 113. Prior to, and during, the engagement of CONCACAF as a travel services
 22 provider, Elmore Sports Group, Cartan Tours, iSportsMarketing, Gant Travel, by and
 23 through its officers and agents Elmore and Gamba, entered into an arrangement with
 24 Webb and Sanz that was replete with fraudulent terms, clearly designed to facilitate a
 25 kickback scheme. The true nature of the arrangement was not known to CONCACAF
 26 because Cartan and Webb and Sanz willfully concealed from CONCACAF material
 27 facts about the engagement in order to wrongfully take CONCACAF funds for the
 28

1 benefit of the Defendants, Webb, and Sanz, as set forth in Paragraphs 31 through 39,
2 and 76 through 81 above.

3 114. Cartan knew that its statements were false and that its omissions and
4 concealments were material, demonstrated by the fact that it never sent documentation
5 necessary to audit or otherwise verify invoices and fees, and documentation required
6 to carry out its representations to CONCACAF regarding its services provided.
7 Cartan's representation that it would engage in contracts of accommodations in the
8 interest of CONCACAF was also false and misleading because Cartan and its officers
9 engaged in multiple frauds and breaches of fiduciary duty to the great financial
10 detriment of CONCACAF. Cartan, furthermore, intentionally omitted material
11 information regarding the true nature of the agreement, therefore obscuring the true
12 reason for Cartan's retention and thus the terms by which Cartan was able to enrich
13 itself at CONCACAF's expense.

14 115. Cartan, by and through its officers and agents Elmore and Gamba, made
15 these statements and suppressed material facts with the intent to induce CONCACAF
16 to engage Cartan without knowledge of Cartan's actual intent not to perform, Cartan's
17 actual charges, and without knowledge of the true nature of the engagement.

18 116. CONCACAF justifiably relied on Cartan's statements in dealing with
19 Cartan, and reasonably did not discover the true nature of the engagement due to
20 Defendants' numerous omissions and scheme with Webb and Sanz.

21 117. CONCACAF was damaged when the nature of the engagement was
22 fundamentally contrary to what Cartan indicated.

23 118. Because of Cartan's fraud, there was never a true meeting of the minds in
24 coming to terms on the engagement between Cartan and CONCACAF.

25 119. CONCACAF's engagement of Cartan is, thus, void, because of Cartan's
26 fraud in the inception of the engagement, which entitles CONCACAF to restitution,
27 disgorgement and/or damages.

28 **SECOND CAUSE OF ACTION**

1 **(Breach of Fiduciary Duty Against Elmore Sports Group, Cartan Tours,**
2 **iSportsMarketing, and Gant Travel)**

3 120. CONCACAF hereby repeats and realleges, as is fully set forth herein, the
4 allegation set forth in Paragraphs 1 through 119 above.

5 121. Defendants Elmore Sports Group, Cartan Tours, and iSportsMarketing,
6 as Sellers of Travel, owe CONCACAF fiduciary duties of care, loyalty, and good faith,
7 as set forth in Cal. Bus. & Prof. Code § 17550 *et seq*, and because of the duties of
8 loyalty and care owed by an agent to its principle, pursuant to Cartan's relationship
9 with CONCACAF resulting from its exclusive event management arrangement.

10 122. Defendants Elmore Sports Group, Cartan Tours, iSportsMarketing, and
11 Gant Travel breached their fiduciary duties to CONCACAF when they, *inter alia* and
12 as further detailed above, did not perform the services they were engaged to perform,
13 entered into an kickback or otherwise fraudulent scheme with Webb and Sanz to
14 benefit from grossly excessive fees charged to CONCACAF, by misrepresenting extra
15 charges and failing to return erroneously charged funds, and by failing to abide by the
16 duties imposed by Cal. Bus. & Prof. Code §§ 17550.13-14.

17 123. CONCACAF, in response to Defendant Companies' numerous
18 statements of expertise and ability, reasonably relied on Defendant Companies to
19 provide services as Sellers of Travel, and as experts purporting to offer their best
20 efforts in effectuating their vital role in an organization that planned, sponsored, and
21 otherwise supported numerous major events.

22 124. As a direct and proximate result of Defendants' breaches of fiduciary
23 duty, CONCACAF was damaged, which entitles CONCACAF to restitution,
24 disgorgement, and/or damages.

THIRD CAUSE OF ACTION

**(Constructive Fraud Against Elmore Sports Group,
Cartan Tours, iSportsMarketing, and Gant Travel)**

125. CONCACAF hereby repeats and realleges, as if fully set forth herein, the allegations set forth in Paragraphs 1 through 124 above.

126. Defendants Elmore Sports Group, Cartan Tours, iSportsMarketing, and Gant Travel, as Sellers of Travel, owe CONCACAF fiduciary duties of care, loyalty, and good faith, as set forth in Cal. Bus. & Prof. Code § 17550 *et seq*, and because of the duties of loyalty and care owed by an agent to its principle, pursuant to Cartan's relationship with CONCACAF resulting from its exclusive event management arrangement.

127. Defendants Elmore Sports Group, Cartan Tours, iSportsMarketing, and Gant Travel breached their fiduciary duties to CONCACAF as set forth in Count 4.

128. The conduct of Defendants in breaching their duties was fraudulent.

129. As a direct and proximate result of Defendants' breaches of fiduciary duty, CONCACAF was damaged, which entitles CONCACAF to restitution, disgorgement, and/or damages.

FOURTH CAUSE OF ACTION

**(Aiding and Abetting a Breach of Fiduciary
Duty Against Defendants Elmore and Gamba)**

130. CONCACAF hereby repeats and realleges, as if fully set forth herein, the allegations set forth in Paragraphs 1 through 129 above.

131. Elmore and Gamba had actual knowledge of Webb and Sanz fiduciary duties to CONCACAF as President and General Secretary of CONCACAF.

132. Webb and Sanz breached their fiduciary duties to CONCACAF as outlined above in Paragraph 31 through 41 above, by *inter alia*, entering into an improper relationship with Cartan, the ultimate purpose of which was to facilitate a

1 systematic plundering of CONCACAF's coffers, in violation of Webb and Sanz duties
2 of good faith, care, and loyalty.

3 133. Elmore and Gamba knew of the breaches by Webb and Sanz because
4 they were integral members in facilitating their breach of fiduciary duty.

5 134. Elmore and Gamba intentionally assisted Webb and Sanz breaches by
6 concealing the agreement, its nature, and details of the amounts invoiced to
7 CONCACAF.

8 135. As a direct and proximate result of Elmore and Gamba's assistance with
9 and participation in Webb and Sanz's breach of fiduciary duty, CONCACAF was
10 damaged monetarily, which entitles CONCACAF to restitution, disgorgement and/or
11 damages.

12 **FIFTH CAUSE OF ACTION**

13 **(Conspiracy to Commit Fraud Against All Defendants)**

14 136. CONCACAF hereby repeats and realleges, as if fully set forth herein, the
15 allegations set forth in Paragraphs 1 through 135 above.

16 137. Defendants owed CONCACAF a duty of reasonable care as Sellers of
17 Travel per Cal. Bus. & Prof. Code § 17550, and because of the duties of loyalty and
18 care owed by an agent to its principle, pursuant to Cartan's relationship with
19 CONCACAF resulting from its exclusive event management arrangement.

20 138. Defendants agreed to misrepresent material information to CONCACAF
21 in order to induce CONCACAF to pay inflated fees.

22 139. Defendants knowingly participated in making these representations, as
23 set forth in Paragraph 55-60 *inter alia*.

24 140. As a direct and proximate result of Defendants' agreement, CONCACAF
25 was damaged monetarily which entitles CONCACAF to compensatory damages.
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27
28

SIXTH CAUSE OF ACTION

(Conspiracy to Commit Breach of Fiduciary Duty Against All Defendants)

141. CONCACAF hereby repeats and realleges, as if fully set forth herein, the allegations set forth in Paragraphs 1 through 140 above.

142. Defendants owed CONCACAF a duty of reasonable care as Sellers of Travel per Cal. Bus. & Prof. Code § 17550, and pursuant to Cartan’s exclusive event management arrangement.

143. Defendants agreed to misrepresent material information to CONCACAF in order to induce CONCACAF to pay inflated fees and invoices without supporting information, and otherwise breached their fiduciary duties by agreeing and engaging in such conduct, and failing to meet the requirements of the Cal. Bus. & Prof. Code §§ 17550.13-14.

144. Defendants knowingly participated in making these representations.

145. As a direct and proximate result of Defendants’ agreement, CONCACAF was damaged monetarily which entitles CONCACAF to compensatory damages.

SEVENTH CAUSE OF ACTION

(Conversion Against All Defendants)

146. CONCACAF hereby repeats and realleges, as if fully set forth herein, the allegations set forth in Paragraphs 1 through 145 above.

147. At all times relevant, CONCACAF had a right to possess the funds in its accounts.

148. Defendants wrongfully converted CONCACAF funds when it misrepresented the nature of the management fees to CONCACAF employees, when it required enormous deposits without supporting evidence, charged fees greater than the percentage indicated in invoices, and when Defendants agreed to refund CONCACAF over \$400,000 that Defendants conceded were overcharged due to misrepresented fees. Defendants were not entitled to these amounts.

1 149. As a direct and proximate result of iSportsMarketing’s conduct,
2 CONCACAF was damaged monetarily, which entitles CONCACAF to restitution,
3 disgorgement and/or damages.

4 **EIGHTH CAUSE OF ACTION**

5 **(Violation of Cal. Bus. & Prof. Code § 17200 *et seq.*, Unlawful, Unfair, and**
6 **Fraudulent Business Practices, Against Defendants)**

7 150. CONCACAF hereby repeats and realleges, as if fully set forth herein, the
8 allegations set forth in Paragraphs 1 through 149 above.

9 151. Defendants engaged in unlawful business practices without privilege,
10 justification, or excuse. Among other things, Defendants, as Sellers of Travel,
11 violated Cal. Bus. & Prof. Code § 17550 *et seq.*, by failing to conspicuously set forth
12 the total amount to be paid by CONCACAF in invoices, failing to set forth all
13 cancellation conditions with third party transportation and travel services, and upon
14 information and belief, failing to establish a trust account from which to receive
15 CONCACAF payments. Defendants also committed commercial bribery in violation
16 of Cal. Pen. Code § 641.3(a).

17 152. Defendants also engaged in unfair business practices without privilege,
18 justification, or excuse as set forth herein. Defendants misrepresented their grossly
19 excessive management fees, the true purpose of the engagement, and prevented
20 CONCACAF from obtaining the information necessary to understand the services
21 being rendered, and including the following:

- 22 a) Defendants failed to disclose the true nature of their relationship
23 with Webb and Sanz;
- 24 b) Defendants omitted executed contracts and backup necessary to
25 verify the accuracy of invoices charged to CONCACAF;
- 26 c) Cartan stated that it provides “first class” travel programs;
- 27 d) Cartan stated that it provides “special group fares” for air travel;
- 28

1 e) Cartan stated it would provide services in a professional manner
2 using reasonable care and skill;

3 f) Gamba stated that Cartan would negotiate for better rates with
4 hotels and that these rates would be better than what CONCACAF had
5 negotiated directly with hotels;

6 153. CONCACAF is a consumer of Defendants' travel services.

7 154. Defendants also engaged in fraudulent business practices without
8 privilege, justification, or excuse, through, among other things, the misstatements and
9 omissions of material fact alleged above in paragraph 152.

10 155. Defendants engaged in their misconduct to, among other things,
11 undermine CONCACAF's ability to conduct its business, improve its financial
12 position, so that Defendants could maximize compensation for themselves.

13 156. The foregoing misconduct constitutes unlawful, unfair, and fraudulent
14 business practices in violation of the California Unfair Competition Law and, as a
15 direct and proximate result of such practices, CONCACAF has suffered injury that
16 entitles it to restitution, disgorgement and/or damages, and such other relief as may be
17 permitted under Business & Professions Code § 17200 *et seq.*

18 **REQUEST FOR RELIEF**

19 **(All Claims)**

20 WHEREFORE, CONCACAF respectfully requests the Court to enter
21 judgment in its favor on all Causes of Action and award CONCACAF the following
22 relief:

- 23 A. Compensatory, consequential, incidental and/or special damages, in an
24 amount to be determined at trial, but far exceeding \$75,000;
- 25 B. Restitution, disgorgement and/or damages as are permitted by law and
26 under California Business & Professions Code §17200 *et seq.*;
- 27 C. Exemplary damages pursuant to Section 3294(a) of the California Civil
28 Code;

- 1 D. Costs of suit incurred herein; and
- 2 E. Such other and further relief as the Court deems just and proper.

3 **JURY DEMAND**

4 **(All Claims)**

5 CONCACAF demands trial by jury on all claims for damages.

6 DATED: December 21, 2015 **SIDLEY AUSTIN LLP**

7
8 By: /s/ Rollin A. Ransom

9 Rollin A. Ransom

10 Attorneys for Plaintiff Confederation of
11 North, Central American and Caribbean
12 Association Football
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