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11 Attorneys for Plaintiff FTC

12 UNITED STATES DISTRICT COURT  
13 CENTRAL DISTRICT OF CALIFORNIA

14 FEDERAL TRADE COMMISSION

15 Plaintiff,

16  
17 EDEBITPAY, LLC; EDP REPORTING,  
18 LLC; EDP TECHNOLOGIES  
19 CORPORATION; SECURE DEPOSIT  
20 CARD, INC.; and

21 DALE PAUL CLEVELAND and  
WILLIAM RICHARD WILSON;

22 Defendants.  
23

24  
25  
26 Plaintiff, the Federal Trade Commission, through its undersigned attorneys,  
27 alleges as follows:  
28

2007 JUL 30 AM 11:55  
U.S. DISTRICT COURT  
CENTRAL DISTRICT OF CALIF.  
LOS ANGELES

FILED

CV. CV=07-4880 ODW (AJW)

COMPLAINT FOR INJUNCTIVE  
AND OTHER EQUITABLE RELIEF

1 1. Plaintiff brings this action under Sections 5(a) and 13(b) of the Federal  
2 Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 45(a) and 53(b), to secure  
3 temporary, preliminary, and permanent injunctive relief, rescission of contracts,  
4 restitution, disgorgement of ill-gotten monies, and other equitable relief from  
5 Defendants for engaging in acts or practices that violate Section 5(a) of the FTC Act,  
6 15 U.S.C. § 45(a).

### 7 JURISDICTION AND VENUE

8 2. This Court has subject matter jurisdiction over the Federal Trade  
9 Commission's claims pursuant to 15 U.S.C. §§ 45(a) and 53(b), and 28 U.S.C.  
10 §§ 1331, 1337(a) and 1345.

11 3. Venue in the Central District of California is proper under 15 U.S.C. § 53(b)  
12 and 28 U.S.C. § 1391(b) and (c).

### 13 PLAINTIFF

14 4. Plaintiff, Federal Trade Commission ("FTC") is an independent agency of  
15 the United States government created by statute, 15 U.S.C. §§ 41 et seq. The FTC  
16 enforces the FTC Act, which prohibits unfair or deceptive acts or practices in or  
17 affecting commerce. The FTC may initiate federal district court proceedings, through  
18 its own attorneys, to enjoin violations of the FTC Act and to secure such other  
19 equitable relief, including rescission of contracts, restitution, and disgorgement of ill-  
20 gotten monies, as may be appropriate in each case. 15 U.S.C. § 53(b).

### 21 DEFENDANTS

22 5. Defendants EDebitPay, LLC ("EDP"), EDP Reporting, LLC ("EDP  
23 Reporting"), EDP Technologies Corporation ("EDP Technologies"), and Secure  
24 Deposit Card, Inc. ("SDC"), hereinafter the "Business Entity Defendants," are  
25 business entities created under Nevada law, with their principal places of business at  
26 5301 Laurel Canyon Boulevard, Suite 132, Valley Village, California, 91607, and 10  
27 Universal City Plaza, 20<sup>th</sup> Floor, Universal City, California, 91608. All the Business  
28 Entity Defendants transact or have transacted business in this district.

6. Defendant Dale Paul Cleveland is a member, manager, president, and the

1 majority owner of EDP; a managing member of EDP Reporting; a director and the  
2 president of EDP Technologies; and the president and treasurer of SDC. At all times  
3 material to this Complaint, acting alone or in concert with others, he has formulated,  
4 directed, controlled, or participated in the acts and practices of the Business Entity  
5 Defendants alleged in this Complaint. Cleveland resides in and transacts or has  
6 transacted business in this district.

7 7. Defendant William Richard Wilson is the managing member of EDP; a  
8 managing member of EDP Reporting; the secretary and treasurer of EDP  
9 Technologies; and a director and the secretary of SDC. At all times material to this  
10 Complaint, acting alone or in concert with others, he has formulated, directed,  
11 controlled, or participated in the acts and practices of the Business Entity Defendants  
12 alleged in this Complaint. Wilson resides in and transacts or has transacted business  
13 in this district.

14 **COMMON ENTERPRISE**

15 8. EDP, EDP Reporting, EDP Technologies, and SDC have operated together  
16 as a common enterprise while engaging in the unfair and deceptive acts and practices  
17 alleged below. These Defendants have conducted the business practices described  
18 below through an interrelated network of companies with common ownership,  
19 officers, managers, employees, locations, and business functions. Individual  
20 Defendants Cleveland and Wilson have formulated, directed, and/or controlled, or had  
21 authority to control, or participated in the acts and practices of the Business Entity  
22 Defendants that comprise the common enterprise. Because the Business Entity  
23 Defendants have acted as a common enterprise, each of them is jointly and severally  
24 liable for the unfair and deceptive acts and practices alleged below. The common  
25 enterprise transacts or has transacted business in this district and a substantial part of  
26 the events or omissions giving rise to the claims asserted herein have occurred in this  
27 district.

28 \\\

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1 July 2003, Defendant SDC began marketing Visa-branded prepaid cards to consumers  
2 under a variety of names. Both EDP and SDC have agreements with various banks  
3 who issue the Visa- or MasterCard-branded prepaid cards.

4 14. In November 2004, Defendant EDP Reporting began assisting EDP and  
5 SDC by providing customer service functions and making representations to  
6 consumers who complained of unauthorized withdrawals to convince consumers to  
7 halt efforts to obtain money refunds.

8 15. In June 2005, Defendant EDP Technologies began acting as the parent  
9 company for EDP, SDC, and EDP Reporting by supervising and coordinating the  
10 marketing efforts for the prepaid cards and other financial services products such as  
11 short-term loans.

12 16. Collectively, Defendants currently market at least 22 prepaid cards,  
13 including but not limited to the Acclaim Visa, Impact Visa, Sterling Visa, VIP  
14 Advantage Visa, Vue Visa, Elite Plus MasterCard, Impact MasterCard, Secure  
15 Deposit MasterCard, VIP MasterCard, and Vue MasterCard. Each card has its own  
16 individual website, examples of which are found at: <https://superacclaim.com>;  
17 <https://builderimpact.com>; [www.sterlingcardnow.com](http://www.sterlingcardnow.com); [www.vipadvantagecard.com](http://www.vipadvantagecard.com);  
18 <https://eliteplusapp.com>; <https://execpluscard.com>; <https://sdcapp.com>;  
<https://vipcardnow.com>; and <https://instantvuecard.com>.

19 17. Each individual website includes an application that can be submitted to  
20 obtain the particular prepaid card. Defendants charge \$159.95 for their prepaid cards,  
21 which covers a \$59.95 "application" fee, a \$90 "processing" fee, and a "bonus rebate"  
22 of \$10 (which is purportedly loaded to the prepaid card if consumers activate it within  
23 30 days of receipt.) As part of the online application process, Defendants require that  
24 consumers provide personally identifiable information, including but not limited to  
25 name, address, and personal financial information such as bank account information.  
26 Defendants use this information to debit the fee from consumers' bank accounts by  
27 ACH or by RCCs. Defendant EDP has contracted with various payment processors to  
28 electronically debit consumers' bank accounts using the ACH network, and either

1 prints RCCs on its own or contracts with vendors to create RCCs.

2 18. Defendants have marketed their prepaid cards through Internet website,  
3 Internet pop-up, and email advertisements, each of which directs consumers to the  
4 cards' individual websites.

5 19. Defendants also market short-term loans online. The short-term loan offers  
6 and applications are found at Internet sites such as [www.SuperAutoSource.com](http://www.SuperAutoSource.com) and  
7 [www.SuperCashSource.com](http://www.SuperCashSource.com). These short-term loan sites require consumers to  
8 provide their bank account information, address, date of birth, employment  
9 information including income, social security number, and driver's license number to  
10 facilitate the consumer's request for the loan.

11 20. In numerous instances, Defendants have debited, or caused to be debited, a  
12 \$159.95 fee from the bank accounts of consumers who have had no contact or  
13 transaction with Defendants.

14 21. In numerous instances, Defendants have debited, or caused to be debited, a  
15 \$159.95 fee from the bank accounts of consumers who visited short-term loan  
16 websites and filled out online applications unrelated to Defendants' prepaid card  
17 offers. The sites do not indicate that the consumer is applying for a prepaid card and  
18 do not disclose the \$159.95 prepaid card fee.

19 22. In numerous instances, Defendants have debited, or caused to be debited, a  
20 \$159.95 fee from the bank accounts of consumers who partially completed but did not  
21 submit an online application for one of Defendants' prepaid cards.

22 23. In each of these instances, Defendants have debited, or caused to be  
23 debited, the \$159.95 fee from consumers' bank accounts without obtaining the  
24 consumers' express informed consent. Consumers usually discover Defendants'  
25 unauthorized debits when they review their bank account statements, or when banks  
26 notify consumers of bank penalty fees or overdraft charges due to insufficient funds.

27 24. Defendants' email advertisements do not mention or disclose the \$159.95  
28 fee to obtain the card. In addition, many independent cafeteria-style websites  
(websites that promote different brands of credit or debit cards) also fail to disclose the

1 (websites that promote different brands of credit or debit cards) also fail to disclose the  
2 \$159.95 fee.

3 25. Defendants' email and online advertisements lead consumers to  
4 Defendants' individual prepaid card websites that fail to clearly and prominently  
5 disclose the \$159.95 fee. Although the look of the prepaid card websites differ, the  
6 representations on each of the cards' individual websites are similar or identical. The  
7 individual card websites typically consist of two application webpages and links to  
8 other webpages. The websites' first webpages have a typical heading banner featuring  
9 a large picture of a MasterCard- or Visa-branded card.

10 26. None of the websites' first webpages discloses the \$159.95 fee for the card.

11 27. The heading of the first webpage typically includes a Frequently Asked  
12 Questions ("FAQ") link. Although the FAQ discloses there are card usage fees and  
13 provides a link to the Terms and Conditions where these fees are disclosed, the FAQ  
14 does not disclose the \$159.95 fee.

15 28. The websites' application webpages represent that consumers must provide  
16 personally identifiable information to apply for and obtain the card. The first webpage  
17 of the MasterCard or Visa prepaid card application requires, at a minimum, the  
18 applicant's name, address, phone number, and email address. After supplying the  
19 required information consumers advance to the second webpage of the application by  
20 clicking on a "Next" or "Continue" or "Receive Your Card" button.

21 29. The application's second webpage requires that consumers provide more  
22 sensitive personal information, including consumers' date of birth, social security  
23 number, and banking information. Some websites ask for additional information such  
24 as the maiden name of the consumer's mother. In many cases, the application's  
25 second webpage includes the same or similar heading banner as found on the first  
26 webpage. The banking information required, at a minimum, includes an account  
27 number, account type, and routing number, i.e., information sufficient to debit a  
28 consumer's bank account.

30. On most websites, after the information fields where consumers input their

1 bank account information, there are three check-off statements. The first check-off  
2 statement is automatically defaulted to "Yes," is not prominently distinguished or  
3 signaled, is in similar font size as the fee disclosure, and is followed by this language:  
4 "I am at least 18 years and a U.S. citizen or permanent resident of the U.S. (excluding  
5 Wisconsin), and I authorize you to debit my bank account for my one-time purchase  
6 cost." The section does not disclose the amount of the fee that will be debited.

7 31. There are two places on the individual websites where Defendants disclose  
8 the \$159.95 fee, although the disclosures are not clearly and prominently displayed.  
9 The first is in an inconspicuous paragraph, usually on the middle of the second  
10 webpage of the application. In some instances the disclosure is cryptic. For example,  
11 "VIPCARD will appear on your account, \$159.95 includes your new card and all  
12 handling or shipping fees or costs." In other instances the disclosure remains  
13 inconspicuous, but the language is more straight forward. In some instances the fee  
14 amount is in bold and in other instances it is not.

15 32. On a substantial number of websites, the inconspicuous paragraph is  
16 preceded by intervening offers for a product such as a cell phone or for a cash rebate,  
17 that are in large font size and usually highlighted by prominent pronouncements such  
18 as: "You Are Almost Finished: 2 Simple Questions: Would you like a FREE  
19 Audiovox 8912 Cellular Phone with color display from Sprint?" or "BONUS  
20 REBATE! We will deposit a \$10 value to your card if you activate it within 30 days  
21 after you receive it." In addition, the inconspicuous paragraph is not highlighted or  
22 distinguished by any prominent representation concerning the fee. In some cases the  
23 fee disclosure paragraph appears after the "Click Here" button that submits the  
24 application and takes consumers to a different webpage.

25 33. The only other location on Defendants' websites where the \$159.95 fee is  
26 disclosed is on an "Application and Processing" webpage that is inaccessible to  
27 consumers except indirectly through nondescript, small print "Terms and Conditions"  
28 ("T&C") links, which are found on the websites' first and second webpage. However,  
the T&C links do not take consumers directly to the "Application and Processing"

1 webpage where the fee is disclosed. Instead, clicking on a T&C link takes consumers  
2 to an intermediate webpage that displays icons for two to four different website  
3 sections, e.g., (1) “Prepaid Visa [or MasterCard] Debit Card” or “Cardholder  
4 Agreement”; (2) “The Executive Benefits Package”; (3) “Privacy Policy”; and (4)  
5 “Application and Processing.”

6 34. None of the icon descriptions alerts or informs consumers that fee  
7 information can be found on these links, or that only the “Application and Processing”  
8 link contains information about the \$159.95 fee. Indeed, none of the other sections,  
9 including the multi-page “Cardholder Agreement” (aka “Prepaid Visa [or MasterCard]  
10 Debit Card”) or “Executive Benefits Package” sections disclose the \$159.95 fee.  
11 Thus, Defendants’ website format effectively conceals the \$159.95 fee from  
12 consumers.

13 35. At the end of the second webpage, consumers must click a “Submit” button  
14 to finish the card application process. If consumers do not provide the required  
15 personally identifiable information, including social security number, date of birth,  
16 and banking information, and try to submit the application, a pop-up window alerts  
17 consumers that they need to provide the required information to apply for and obtain  
18 the card. A verification and confirmation page follows the end of the application  
19 process but it does not disclose the fee charged.

20 36. In numerous instances, consumers provided the required personally  
21 identifiable information and applied for the cards because Defendants represent the  
22 information is required to apply for and obtain the card. This representation creates an  
23 impression on consumers that the personally identifiable information will only be used  
24 for application and approval purposes. Defendants’ fail to clearly and conspicuously  
25 disclose, however, that they will use the information to debit a \$159.95 fee.  
26 Accordingly, Defendants debit, or cause to be debited, the \$159.95 fee from  
27 consumers’ banks accounts without obtaining the consumers’ express informed  
28 consent.

37. Defendants’ email and online advertisements and individual card websites

1 also make representations about the cards that give the impression to consumers that  
2 they can apply for and obtain the card without cost.

3 38. For example, one email for Defendants' Acclaim Visa Card encourages  
4 consumers to apply with large, bold pronouncements of "Claim Your Card Today!" or  
5 "Guaranteed Approval!!" accompanied by other representations such as "No Annual  
6 Fees" and "No Credit Checks." Similarly, Defendants' cafeteria-style ads usually  
7 include representations encouraging consumers to apply including, among others,  
8 "Guaranteed Approval," "No Credit Checks," and "No Security Deposit."

9 39. The individual card websites' first pages feature a heading banner with  
10 prominent representations, such as the following:

11 "Approval Guaranteed, Executive Plus Prepaid MasterCard Card. No  
12 Credit Checks. No Annual Fees. No Security Deposit.  
13 No Employment Required." [Executive Plus MasterCard at  
14 <https://execpluscard.com>].

15  
16 "All Approved. VIP Prepaid MasterCard Card. Get the Power of a  
17 MasterCard Today. No Credit Checks. No Turndowns. No Annual  
18 Fees. No Security Deposit. No Employment Required. Get Pre-  
19 approved in the next 3 minutes." [VIP MasterCard at  
20 <https://vipcardnow.com/index.asp>].

21  
22 "Approved \$10,000. Get the Power of Plastic. Everyone is Now 100%  
23 Approved! No Credit Checks. No Turndowns. No Security Deposit.  
24 No Employment Required. Bad Credit? Bankruptcy? Apply Now!"  
25 [Sterling VIP Visa at [www.sterlingcardnow.com/index.asp](http://www.sterlingcardnow.com/index.asp)].  
26  
27  
28

1 "No Credit. No Credit Checks. No Turndowns. No Annual Fees. No  
2 Security Deposit. No Employment Required. No Credit? Bad Credit?  
3 Bankruptcy? No Problem! Apply Now!" [VIP Advantage Visa at  
4 www.vipadvantagecard.com].  
5

6 40. Defendants' prominent representations concerning the costs that consumers  
7 will not have to pay up front for the card, including but not limited to "No Annual  
8 Fees" or "No Security Deposit," gives an impression to consumers that they can apply  
9 for and obtain the card without cost. Defendants fail to clearly and conspicuously  
10 disclose, however, that a \$159.95 fee will be debited from consumers' bank accounts  
11 to apply for and obtain the card. Accordingly, Defendants debit, or cause to be  
12 debited, the \$159.95 fee from consumers' banks accounts without obtaining the  
13 consumers' express informed consent.

14 41. When consumers ask for a refund of the \$159.95 debits, Defendants  
15 misrepresent the consumers' obligation to pay the fee and ratify the withdrawal.  
16 Defendants insist, by email, telephone, or otherwise, that consumers must pay the  
17 \$159.95 fee even if consumers assert they did not submit an application for one of  
18 Defendants' prepaid cards, and even if consumers assert they did not give their  
19 express informed consent.

20 42. Consumers who try to reach Defendant EDP Reporting by telephone to  
21 contest the debits face significant difficulty in reaching a customer service  
22 representative ("CSR"). Consumers are routinely placed on hold and are not  
23 connected to a CSR within any reasonable time period. Consumers also try to reach  
24 Defendant EDP Reporting by email.

25 43. Consumers who are able to reach Defendant EDP Reporting via telephone  
26 or email to request a refund for the \$159.95 unauthorized debits because they did not  
27 apply for the prepaid cards are routinely denied refunds by CSRs who represent that  
28 consumers authorized the withdrawals by submitting an Internet application for one of

1 Defendants' prepaid debit cards, and assert that EDP Reporting has proof of  
2 authorization.

3 44. CSRs also deny refund requests to consumers who applied for the prepaid  
4 card believing it was free by asserting there are clear and adequate website disclosures  
5 regarding the \$159.95 fee and that it was the consumer's fault for not seeing them.

6 45. EDP Reporting advises consumers who persistently complain that they  
7 would only consider a refund due to an unauthorized debit if the consumer completes  
8 a fraud package sent by EDP Reporting. As part of the fraud package, consumers  
9 must file a report with the police and the police must find fraud was involved. In such  
10 instances, EDP Reporting will allegedly issue a refund check but only to the police.  
11 Consumers rarely file such a report with the police. Based on these representations,  
12 some consumers simply abandon their efforts to obtain a refund from the company.

13 46. At that stage other consumers file complaints with the Better Business  
14 Bureau ("BBB"). EDP Reporting representatives routinely make the same assertions  
15 to the BBB and deny the refund requests. If this approach is not successful in  
16 deterring additional refund requests, EDP Reporting representatives state that they are  
17 willing to issue a "courtesy refund," i.e., one that will not cover any bank penalty fee,  
18 but only if consumers forward bank statements that document Defendants'  
19 withdrawals. Of those who complained to the BBB, only those consumers who  
20 overcome their reluctance to turn over additional personal information to Defendants  
21 and submit the bank account records obtain partial or full refunds from Defendants.

22 47. Defendants' representations and conditions to those who directly or  
23 indirectly complain about the debits stave off providing many refunds, allowing  
24 defendants to retain much of their ill-gotten gains.

**THE FEDERAL TRADE COMMISSION ACT**

25 48. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), provides that "unfair or  
26 deceptive acts or practices in or affecting commerce, are hereby unlawful."  
27 Misrepresentations or omissions of material fact constitute deceptive acts or practices  
28 prohibited by Section 5(a) of the FTC Act. Moreover, under Section 5(n) of the FTC

1 Act, an act or practice is unfair if it causes or is likely to cause substantial injury to  
2 consumers that is not outweighed by countervailing benefits to consumers or to  
3 competition and that consumers could not reasonably have avoided.

4 15 U.S.C. § 45(n).

5 **VIOLATIONS OF THE FTC ACT**

6 **COUNT I - Unauthorized Bank Account Debiting**

7 49. In numerous instances since April 2002, in connection with the marketing  
8 of prepaid cards and short-term loans, Defendants have debited, or caused to be  
9 debited, consumers' bank accounts without obtaining the consumers' express  
10 informed consent.

11 50. Defendants' practice of debiting, or causing to be debited, consumers' bank  
12 accounts without obtaining the consumers' express informed consent causes or is  
13 likely to cause substantial injury to consumers that is not outweighed by  
14 countervailing benefits to consumers or competition and that is not reasonably  
15 avoidable by the consumers.

16 51. Therefore, Defendants' practice as alleged in Paragraph 49 is unfair and in  
17 violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

18 **COUNT II - Failure to Disclose, or to Adequately Disclose, Material Facts**

19 52. In numerous instances since April 2002, in connection with the marketing  
20 of prepaid cards, Defendants have represented to consumers in their online card  
21 applications, expressly or by implication, that consumers must provide personally  
22 identifiable information, including but not limited to name, address, date of birth,  
23 social security number, and personal banking information to apply for and obtain a  
24 card.

25 53. Defendants have failed to disclose clearly and conspicuously that  
26 Defendants will use the personally identifiable information to debit a \$159.95 fee from  
27 the consumer's bank account for application and processing. This fact would be  
28 material to consumers in their decision whether to apply for and obtain Defendants'  
prepaid cards.

1 54. In light of the representation in Paragraph 52, Defendants' failure to  
2 disclose, or to disclose clearly and conspicuously, the material information set forth in  
3 Paragraph 53 constitutes a deceptive act or practice in violation of Section 5(a) of the  
4 FTC Act, 15 U.S.C. § 45(a).

5 **COUNT III - Failure to Disclose, or to Adequately Disclose, Material Facts**

6 55. In numerous instances since April 2002, in connection with the marketing  
7 of prepaid cards, Defendants have made various representations, including but not  
8 limited to "No Annual Fees" and "No Security Deposit," in their email, online  
9 advertisements, and individual card websites to encourage consumers to apply for and  
10 obtain Defendants' prepaid cards.

11 56. Defendants have failed to disclose, or to disclose clearly and  
12 conspicuously, in their email, online advertisements, and individual card websites that  
13 upon applying for Defendants' prepaid cards, Defendants will debit, or cause to be  
14 debited, a \$159.95 fee from the consumer's bank account for application and  
15 processing.

16 57. In light of the representations set forth in Paragraph 55, Defendants' failure  
17 to disclose, or to disclose clearly and conspicuously, the material information set forth  
18 in Paragraph 56 constitutes a deceptive act or practice in violation of Section 5(a) of  
19 the FTC Act, 15 U.S.C. § 45(a).

20 **COUNT IV - Misrepresentation of Material Facts**

21 58. In numerous instances since April 2002, in connection with the debiting of  
22 consumers' bank accounts, Defendants have represented, expressly or by implication,  
23 that consumers are obligated to pay Defendants' \$159.95 prepaid card fee.

24 59. In truth and in fact, in numerous instances, consumers were not obligated to  
25 pay Defendants' \$159.95 prepaid card fee because:

26 (a) consumers did not complete or submit an application for a prepaid card and  
27 therefore did not give their express informed consent to pay a fee to acquire a prepaid  
28 card; or

(b) consumers who did complete and submit an application for a prepaid card

1 did not give their express informed consent to pay a fee to acquire a prepaid card due  
2 to Defendants' failure to clearly and conspicuously disclose the fee.

3 60. Therefore, the representation set forth in Paragraph 58 is false and  
4 deceptive and constitutes a deceptive act or practice in violation of Section 5(a) of the  
5 FTC Act, 15 U.S.C. § 45(a).

### 6 CONSUMER INJURY

7 61. Numerous consumers throughout the United States have suffered and  
8 continue to suffer substantial monetary loss as a result of Defendants' unlawful acts or  
9 practices. In addition, Defendants have been unjustly enriched as a result of their  
10 unlawful practices. Absent injunctive relief by this Court, Defendants are likely to  
11 continue to injure consumers, reap unjust enrichment, and harm the public interest.

### 12 THIS COURT'S POWER TO GRANT RELIEF

13 62. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to  
14 grant injunctive and other ancillary relief, including rescission of contracts, restitution,  
15 and the disgorgement of ill-gotten monies, to prevent and remedy violations of any  
16 provision of law enforced by the Commission.

### 17 PRAYER FOR INJUNCTIVE AND MONETARY RELIEF

18 WHEREFORE, Plaintiff Federal Trade Commission, pursuant to Section 13(b)  
19 of the FTC Act, 15 U.S.C. § 53(b), and the Court's own equitable powers, requests  
20 that the Court:

21 1. Award Plaintiff such preliminary injunctive and ancillary relief as may be  
22 necessary to avert the likelihood of consumer injury during the pendency of this action  
23 and to preserve the possibility of effective final relief, including, but not limited to,  
24 temporary and preliminary injunctions, an order freezing assets, immediate access to  
25 business premises, expedited discovery of assets and documents, and the appointment  
26 of a receiver;

27 2. Enter a permanent injunction to prevent future violations of the FTC Act by  
28 Defendants;

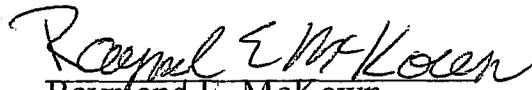
3. Award such relief as the Court finds necessary to redress injury to

1 consumers resulting from Defendants' violations of the FTC Act, including but not  
2 limited to, rescission or reformation of contracts, restitution, the refund of monies  
3 paid, and the disgorgement of ill-gotten monies; and

4 4. Award Plaintiff the costs of bringing this action, as well as such other  
5 additional relief as the Court may determine to be just and proper.

6  
7 Dated: July 17, 2007

Respectfully submitted,

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9 Raymond E. McKown  
10 Alberto Rivera-Fournier  
11 Barbara Y. K. Chun  
12 Attorneys for Plaintiff  
13 FEDERAL TRADE COMMISSION  
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