



NETWORK NEWS

NETWORK NEWS IS A PUBLICATION OF CONSUMER SENTINEL, LAW ENFORCEMENT'S SOURCE FOR CONSUMER COMPLAINTS

LOST OPPORTUNITY

The FTC has announced a major federal and state crackdown on deceptive business opportunity schemes that claimed to offer people help starting businesses as mystery shoppers, credit card processors, website operators, and government insurance refund processors, to name a few. Operation Lost Opportunity involved more than 70 actions brought by the FTC and partners: Six of the FTC actions were brought under the recently updated Business Opportunity Rule, which requires business opportunity sellers to disclose specific information to potential buyers in a simple, one-page document. [Read more.](#) ■■■

DEBT RELIEF SERVICES

At the FTC's request, a U.S. district court has temporarily stopped a debt relief operation that allegedly took in more than \$11 million from cash-strapped consumers. Paula Wexler, The Debt School, LLC, and Financial Freedom Credit Counseling claimed to be a non-profit group. The FTC alleged that they used robocalls to target people, promising a single monthly payment and an interest rate ranging from zero to six percent. The court order stopped the illegal activities and froze the operation's assets while the FTC moves forward with the case. The FTC got assistance from the Better Business Bureau of Southeast Florida. [Read more.](#) Read *Hang Up on Illegal Robocalls*, and *Settling Your Credit Card Debts.* ■■■

STAT-o-SPHERE

In 2011, consumers submitted more than **990,000** fraud complaints to Sentinel and reported paying over **\$1.5 billion.**

Consumer Sentinel DataBook 2012
(January 2011 – December 2011)

CAR TALK

The FTC has stopped a California-based auto loan modification operation that allegedly lied when it promised car owners it could lower their monthly loan payments and stop repossession. According to the FTC, Hope for Car Owners, LLC, charged people hundreds of dollars for its supposed help, even telling them to stop paying their auto lenders. But once people paid the company, the defendants did nothing to get the customers the loan modifications they promised – and denied refunds to any customers who asked. [Read more.](#) For more on auto loan modification scams, [watch a new video](#) from the FTC. The message: if you have trouble making your monthly car payments, contact your lender directly. ■■■

USED CAR RULE

The FTC seeks comments on proposed changes to the Used Car Buyers Guide required by the Used Car Rule. The Buyers Guide gives consumers critical information about who will pay for repairs if something goes wrong with the car they buy. The Commission last reviewed and amended the Rule in 1995. File comments by February 11. [Read more.](#) ■■■

AGENCY IMPERSONATORS

At the request of the FTC, a federal district court has shut down a robocall operation temporarily, pending further action by the agency to stop the scheme once and for all. According to the FTC, defendant Suhaylee Rivera and her companies, The Cuban Exchange, Inc., CrediSure America, and MyiPad.us, tricked people into thinking their business could facilitate FTC refunds. According to the FTC, the defendants “spoofed” the FTC’s Consumer Response toll-free phone number, so that the FTC’s number appeared on consumers’ Caller ID devices. [Read more.](#) Learn more about [dealing with robocalls.](#) ■■■

CONSUMER.GOV

Everyone can benefit from concise and practical consumer information. So the next time you’re reaching out to consumers, use the FTC’s new resources at [consumer.gov](#) ([consumidor.gov](#) in Spanish). Consumer.gov features videos and audio read-alongs to support people with different learning styles, as well as multi-taskers, with information about credit, debt, identity theft, avoiding scams, budgeting, opening a bank account, shopping for prepaid cards, and managing money in general. The information focuses on the basics, written in an easy-to-use, direct style. Order free copies of materials at [bulkorder.ftc.gov.](#) ■■■

DECEPTIVE MORTGAGE ADS

The FTC and the **Consumer Financial Protection Bureau** have issued warning letters to more than 30 companies about deceptive mortgage ads. Both agencies have opened nonpublic law enforcement investigations of advertisers that may have violated the Mortgage Acts and Practices Advertising Rule. The rule prohibits material misrepresentations in advertising or any other commercial communication about consumer mortgages. The FTC and the CFPB share enforcement authority over non-bank mortgage advertisers like mortgage lenders, brokers, servicers, and advertising agencies. [Read more.](#)

For more information see *Your Home* and *Deceptive Mortgage Ads: What They Say; What They Leave Out.* ■■■

NEW MEMBERS

Sentinel welcomes:

- ✦ 13 new members from 9 states – including 8 police or sheriff’s departments.
- ✦ 5 new data contributors: the South Carolina Division of Consumer Affairs, Privacy Rights Clearinghouse, Green Dot Corporation, and the Attorneys General of California and Iowa ■■■

COMMENTS, QUESTIONS, OR KUDOS

Got a success story? Should we profile your agency? Want to share an article idea? Email sentinel@ftc.gov.

STOCK UP!

Order free FTC materials at [ftc.gov/bulkorder.](#) ■■■

COMMUNITY OUTREACH

Share any of FTC’s free resources and tips in your programs, on your website, and with your social networks. ■■■

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