UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

FEDERAL TRADE COMMISSION, Plaintiff, v. **STEVEN ANTHONY BREITLING,** an individual doing business as ICS Financial Group, ICS Financial Firm, ICS Financial Services, ICS Financial Associates, ICS (A Financial Co.), and Integrated Credit Services, Defendant.	CIV-08-494-M Civil Action No. FILED MAY 12 2008 ROBERT D. DENNIS, CLERK DIST. COURT, WESTERN DIST. OF OKL BY ______, DEPUTY

COMPLAINT FOR PERMANENT INJUNCTION AND OTHER EQUITABLE RELIEF

Plaintiff, the Federal Trade Commission ("FTC"), for its complaint alleges:

1. The FTC brings this action under Sections 13(b) and 19 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. §§ 53(b) and 57b, and the Telemarketing and Consumer Fraud and Abuse Prevention Act ("Telemarketing Act"), 15 U.S.C. §§ 6101-6108, to obtain temporary, preliminary, and permanent injunctive relief, rescission or reformation of contracts, restitution, disgorgement of ill-gotten monies, and

other equitable relief for Defendant's acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), and the FTC's Telemarketing Sales Rule ("TSR"), 16 C.F.R. Part 310.

JURISDICTION AND VENUE

2. This Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345, and 15 U.S.C. §§ 45(a), 53(b), 57b, 6102(c), and 6105(b).

3. Venue is proper in the Western District of Oklahoma under 28 U.S.C. § 1391(b) and 15 U.S.C. § 53(b).

PLAINTIFF

4. Plaintiff FTC is an independent agency of the United States Government created by statute. 15 U.S.C. §§ 41-58. The FTC is charged, *inter alia*, with enforcement of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC is also charged with enforcement of the Telemarketing Act, 15 U.S.C. §§ 6101-6108. Pursuant to the Telemarketing Act, the FTC promulgated and enforces the TSR, 16 C.F.R. Part 310, which prohibits deceptive and abusive telemarketing acts or practices. The FTC is authorized to initiate federal district court proceedings, by its own attorneys, to enjoin violations of the FTC Act and the TSR, and to secure such equitable relief as may be appropriate in each case, including restitution and disgorgement. 15 U.S.C. §§ 53(b), 57b, 6102(c), and 6105(b).

DEFENDANT

5. Defendant Steven Anthony Breitling is an individual doing business as ICS Financial Group, ICS Financial Firm, ICS Financial Services, ICS (A Financial Co.), and Integrated Credit Services, with his office and principal place of business located in Oklahoma City, Oklahoma. At all times material to this complaint, acting alone or in concert with others, he has formulated, directed, controlled, or participated in the acts and practices set forth in this complaint. Steven Anthony Breitling resides in and transacts or has transacted business in the Western District of Oklahoma.

DEFENDANT'S BUSINESS ACTIVITIES

6. Defendant is a seller of advance-fee loans to consumers. Defendant is also a telemarketer who makes telephone calls to and receives inbound calls from consumers in the United States to induce the purchase of Defendant's loans.

7. Defendant has engaged in telemarketing by a plan, program, or campaign conducted to induce the purchase of goods or services by use of one or more telephones and which involves more than one interstate telephone call.

8. At all times relevant to this complaint, Defendant has maintained a substantial course of business in the advertising and marketing of advance-fee loans, in or affecting commerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

9. Since at least January 2005, Defendant has marketed and solicited consumers throughout the United States to apply for advance-fee loans that are purportedly "guaranteed" or for which there is a high likelihood of success to obtain.

10. In the course of marketing advance-fee loans, Defendant has mailed unsolicited letters to consumers. These letters offer consumers a "guaranteed" loan of $2,000 to $5,000. The letters also include a short application that consumers are instructed to complete and return to Defendant.

11. Consumers who return the completed application typically receive a telephone call from Defendant or his representatives. The consumers who receive a telephone call are told that their initial application is approved, and they need to complete a general contract to confirm the necessary information for their "guaranteed" loan. In addition, Defendant informs consumers that a fee, usually $75.00, is required to pay for Defendant's services in providing the "guaranteed" loan. Defendant requires consumers to pay this fee by cashier's check or money order prior to processing the loan. Consumers are assured that the loan is "guaranteed" or that there is a high likelihood of obtaining it, and that they will receive the loan 10 to 14 days after they pay the $75.00 fee.

12. Whether or not they also receive the telephone call described in Paragraph 11, all consumers receive a package in the mail after sending in their application. The package contains a cover letter and a contract. The cover letter accompanying the contract congratulates consumers and informs them that their "guaranteed" account with

Defendant has been established and will be completed for them in 10 to 14 business days. Many consumers believe this means that their loan is guaranteed, and that the loan will be disbursed to them in 10 to 14 business days. The letter also states that in order to receive the loan, the consumer must make a required up-front payment of $75.00 for a "consulting/collective" fee.

13. After paying the fee to Defendant, many consumers never hear from Defendant again, despite multiple attempts to reach Defendant by telephone and mail. Other consumers may eventually receive another mailing from Defendant instructing them to complete another application to another loan company. The second loan company's application requires yet another fee. This second application discloses that the consumers' loans are not guaranteed. Many consumers who fill out the second application and pay the second fee are later denied the loan.

14. In numerous instances, when consumers try to contact Defendant to request a refund, they are unable to obtain any response from Defendant.

15. In numerous instances, consumers never receive the guaranteed loan or extension of credit.

VIOLATIONS OF SECTION 5 OF THE FTC ACT

16. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or practices in or affecting commerce."

COUNT I

17. In numerous instances, in connection with the marketing of loans, Defendant represents, directly or indirectly, expressly or by implication, that after paying a fee, consumers will or are likely to receive a loan.

18. In truth and in fact, in numerous instances in which Defendant has made the representation above, after paying a fee, consumers do not receive a loan.

19. Therefore, Defendant's representation as set forth in Paragraph 17 of this Complaint is false and misleading and constitutes a deceptive act or practice in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE TELEMARKETING SALES RULE

20. Congress directed the FTC to prescribe rules prohibiting abusive and deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15 U.S.C. §§ 6101-6108, in 1994. On August 16, 1995, the FTC adopted the Telemarketing Sales Rule (the "Original TSR"), 16 C.F.R. Part 310, which became effective on December 31, 1995. On January 29, 2003, the FTC amended the Original TSR by issuing a Statement of Basis and Purpose, and the final amended Telemarketing Sales Rule (the "TSR"). 68 Fed. Reg. 4580, 4669.

21. Defendant is a "seller" or "telemarketer" engaged in "telemarketing," as defined by the TSR. 16 C.F.R. § 310.2(z), (bb), and (cc).

22. It is an abusive telemarketing act or practice and a violation of the TSR for any seller or telemarketer to request or receive payment of any fee or consideration in advance of obtaining a loan or other extension of credit when the seller or telemarketer has guaranteed or represented a high likelihood of success in obtaining or arranging a loan or other extension of credit for a person. 16 C.F.R. § 310.4(a)(4).

23. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C.§ 6102(c), and Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the TSR constitutes an unfair or deceptive act or practice in or affecting commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

Telemarketing Advance-fee Loans

24. In numerous instances, in connection with the telemarketing of advance-fee loans, Defendant has requested or received payment of a fee or consideration in advance of consumers obtaining a loan when Defendant has guaranteed or represented a high likelihood of success in obtaining or arranging the acquisition of a loan for such consumers.

25. Defendant's practice as alleged in Paragraph 24 is an abusive telemarketing act or practice that violates Section 310.4(a)(4) of the TSR, 16 C.F.R. § 310.4(a)(4).

CONSUMER INJURY

26. Consumers throughout the United States have suffered and will continue to suffer injury as a result of Defendant's violations of the FTC Act and the TSR. In addition, Defendant has been unjustly enriched as a result of his unlawful practices. Absent injunctive relief by this Court, Defendant is likely to continue to injure consumers, reap unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

27. Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), empowers this Court to grant injunctive and such other relief as the Court may deem appropriate to halt and redress violations of the FTC Act. The Court, in the exercise of its equitable jurisdiction, may award ancillary relief, including rescission of contracts and restitution, and the disgorgement of ill-gotten monies, to prevent and remedy any violation of any provision of law enforced by the FTC.

28. Section 19 of the FTC Act, 15 U.S.C. § 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), authorize this Court to grant such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the TSR, including the rescission and reformation of contracts, and the refund of money.

PRAYER FOR RELIEF

Wherefore, Plaintiff Federal Trade Commission, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, and Section 6(b) of the Telemarketing Act, 15 U.S.C. § 6105(b), and the Court's own equitable powers, requests that this Court:

A. Award Plaintiff such preliminary injunctive and ancillary relief as may be necessary to avert the likelihood of consumer injury during the pendency of this action and to preserve the possibility of effective final relief, including, but not limited to, temporary and preliminary injunctions, and an order freezing assets;

B. Enter a permanent injunction to prevent future violations of the FTC Act and the TSR by Defendant;

C. Award such relief as the Court finds necessary to redress injury to consumers resulting from Defendant's violations of the FTC Act and the TSR, including but not limited to, rescission or reformation of contracts, restitution, the refund of monies paid, and the disgorgement of ill-gotten monies; and

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

Dated: 5/12/08

Respectfully Submitted,

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