



NETWORK NEWS

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

MARS RULE SPELLS PROTECTION.

A new FTC rule will protect distressed homeowners from mortgage relief scams that have proliferated during the economic downturn. Bogus operations falsely claim that, for a fee, they will negotiate with the homeowner's mortgage lender or servicer to get a loan modification, a short sale, or other foreclosure relief. Many of these operations pretend to be affiliated with the government and government housing assistance programs. The new Mortgage Assistance Relief Services (MARS) Rule will ban providers of mortgage foreclosure rescue and loan modification services from collecting fees until homeowners have a written offer from their lender or servicer that the homeowners deem acceptable. The FTC has brought more than 30 cases against operations like these: state and federal law enforcement partners have brought hundreds more. [Read the press release.](#) ■■■

MORTGAGE FRAUD CASES MEAN DETERRENCE.

The FTC has announced a series of law enforcement actions as part of the agency's effort to shut down scams that target homeowners who are having trouble making timely mortgage payments or facing foreclosure. At the FTC's request, federal courts have stopped two allegedly bogus mortgage relief operations that posed as government mortgage assistance programs, pending trial. In addition, court judgments and settlements in recently filed actions have banned 17 marketers from selling mortgage loan modification and foreclosure relief services. The FTC has charged another mortgage relief operation with contempt for violating 2008 court orders. All these cases alleged false claims that the defendants could – and would – deliver dramatically lower mortgage interest rates in exchange for hefty upfront fees. [Read the press release.](#) ■■■

STAT-O-SPHERE.

By fiscal year 2010, the National Do Not Call Registry had soared beyond **201** million numbers.

That's up from 52 million numbers in FY 2003.

[National Do Not Call Registry Data Book for Fiscal Year 2010.](#)

ROBO-CALLERS SHUT DOWN.

At the FTC's request, a federal district court in Chicago has closed an international robocall ring that allegedly collected millions of dollars in fees by conning thousands of people with false promises that it would reduce their credit card interest rates. The operation provided little or nothing in return for the fees they collected. The FTC alleged that the defendants used at least 10 different company names, including AFL Financial Services, when making their sales pitch, and defrauded nearly 13,000 people out of almost \$13 million by charging \$995 a person for their "service." The FTC worked with the Florida Department of Agriculture and Consumer Services and the Toronto Strategic Partnership to bring this case. [Read the press release.](#) ■■■

FTC PREVAILS OVER CREDIT REPAIR OPERATION.

A credit repair operation has agreed to stop making false claims and stop charging upfront fees under a settlement with the FTC. According to the agency, James R. Dooley and his company, Nationwide Credit Services, Inc., falsely claimed that bankruptcies, judgments, slow pay history, repossessions, and collection accounts could be “legally erased” from consumers’ credit reports. The defendants allegedly charged consumers up to \$150 in advance and debited a monthly fee from some prospective clients’ bank accounts. The defendants rarely delivered the promised results, denied almost all refund requests, and in many instances, took money without providing any services. **Read the press release.** ■■■

LEGAL RESOURCE FOR ID THEFT VICTIM ASSISTANCE.

The FTC developed a **Guide** to help attorneys and others who provide services to pro bono clients who are victims of identity theft. **Read more.** ■■■

WHAT DO YOU THINK?

The Sentinel team wants to hear from you. Is Sentinel working for you and your colleagues? What features help you the most? What features would you like to add? Would you like to participate in the next online training session? Email sentinel@ftc.gov and type “Sentinel Comments” in the subject line. ■■■

NEW MEMBERS.

Since November, Sentinel has added five new members from four states: Idaho, Pennsylvania, Missouri, Texas. ■■■

COMMUNITY BEAT. GETTING TO BUSINESS.

Let businesses in your community know where to go for resources on complying with consumer protection laws, rules, and guides. The FTC’s Business Center at business.ftc.gov gives business owners, attorneys, and marketing professionals plain-language guidance about advertising, credit, telemarketing, privacy, and a host of other topics. Short **videos** explain the bottom line about compliance, and the **Business Center blog** offers practical tips on how to do it. Encourage companies to use the compliance tips in their newsletters and blogs, to share the resources with their social and professional networks, to use the videos for in-house trainings or presentations, and to order free materials for distribution at conferences or community events. **Watch a Business Center video.** **Read more.** ■■■

CALLER ID.

Public comments accepted until January 28, 2011.

The FTC is seeking public comment on strengthening the Caller ID provisions of the Telemarketing Sales Rule. By requiring telemarketers to provide Caller ID information, the Rule allows people to screen out unwanted calls. The FTC seeks comments on how to make Caller ID more useful and deal with technologies that hide telemarketers’ identities.

Read the press release.

COMMENTS, QUESTIONS, OR KUDOS.

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

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