

UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION WASHINGTON, D.C. 20580

Division of Financial Practices Bureau of Consumer Protection

> Peggy Twohig Associate Director

> > July 7, 2008

VIA FIRST-CLASS MAIL

Geoffrey A. Graves, Esq. Graves & Associates A Professional Law Corporation 195 South "C" Street, Suite 250 Tustin, CA 92780-3652

Re: <u>Elite Financial Group d/b/a Elite Financial Group California</u> Matter No. 072-3239

Dear Mr. Graves:

As you know, the staff of the Federal Trade Commission ("FTC") conducted an investigation of Elite Financial Group d/b/a Elite Financial Group California ("Elite Financial") for possible violations of Section 5 of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45 *et seq*. The FTC staff investigation sought to determine whether Elite Financial's distribution of student loan solicitation letters with a seal or logo comprised of the American Bald Eagle, which looks similar to the seal of the United States government, caused consumers to take away the false or misleading claim that the federal government or a federal government affiliated entity had sent the solicitation to them. *See* Attached.

The FTC staff has determined to close its investigation into whether this solicitation deceived consumers. It is our understanding that Elite Financial ceased using a seal or logo of the American Bald Eagle in its solicitations as of July 2007, prior to FTC staff commencing its investigation, and has not re-commenced using that seal or logo. The cessation of the use of the seal or logo was a factor in FTC staff's decision to close this investigation.

Although the FTC staff has decided to close this investigation, it is important to avoid using seals, logos, or other elements in solicitations which some consumers could interpret as indicating that the solicitation is from the federal government or an entity affiliated with the federal government. If consumers could take away this impression, the solicitation should include a clear and prominent¹ disclosure that neither the federal government nor anyone

¹ Note that the FTC has published materials to provide guidance concerning how to disclose information in a clear and prominent manner. *See, e.g., Dot Com Disclosures*

Mr. Geoffrey Graves

Page 2

affiliated with the federal government sent the solicitation.

The closing of this investigation is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission reserves the right to take such further action as the public interest may require.

Sincerely, aggy Woding

Peggy L (Twohig U Associate Director Division of Financial Practices

Information About Online Advertising, available at

http://www.ftc.gov/bcp/conline/pubs/buspubs/dotcom/index.pdf; see also, Federal Trade Commission, Staff Comment to the Department of Health and Human Services Food and Drug Administration, In the Matter of Request for Comment on First Amendment Issues, Docket No. 02N-0209, Sept. 13, 2002, available at http://www.ftc.gov/os/2002/09/fdatextversion.pdf, pp. 15-16.



April 25, 2007

Federal Loan Division



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WASHINGTON, DC



NOTICE

<u>URGENT MESSAGE REGARDING YOUR STUDENT LOANS</u>: Interest rates have recently increased. Failing to respond could result in higher monthly payments and increased interest rates.

Federal benefits in this program include:

- Secure Fixed Interest Rate
- Reduce Payments up to 67%
- Refresh Deferment and Forbearance

Immediate Action Recommended

Recent changes to the student loan program may be prevented by contacting our office immediately. The above stated benefits have already been paid for and will be provided to you at no additional cost. Loan representatives can be reached at <u>1-877-509-9700</u> from Monday-Friday, 10:00 am 10:00 pm EST.

ELITE FINANCIAL GROUP CALIFORNIA 4858 MERCURV ST Ste # 105 SAN DIEGO CA 22111 Tel 877-569-9700, PRESCREEN & OPT-OUT NOTICE: This preservened offer of credit is based on information in your credit report indicating that you meet certain eriteria. This offer is not guaranteed if you do not meet the federal eligibility requirements for consolidation boars. If you do not want to receive prescreened offers of credit from this and other companies, call the consumer reporting agencies foll-free. 3-888-5-opt-out; or write to the following credit reporting agencies: Experian, 2011 Sperion Parkway, Alica, TN 25013; Transminion Opt Out Request, B.O. Box 505, Woodlyn, PA 19094-0505; Equifax Options, RO, Box 740123, Adama, GA 302740123.