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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

12 FEDERAL TRADE COMMISSION,

13 Plaintiff,

14 vs.

15 AMERICAN FINANCIAL BENEFITS
16 CENTER, a corporation, also d/b/a AFB and AF
17 STUDENT SERVICES;

18 AMERITECH FINANCIAL, a corporation;

19 FINANCIAL EDUCATION BENEFITS
20 CENTER, a corporation; and

21 BRANDON DEMOND FRERE, individually
22 and as an officer of AMERICAN FINANCIAL
23 BENEFITS CENTER, AMERITECH
24 FINANCIAL, and FINANCIAL EDUCATION
25 BENEFITS CENTER,

26 Defendants.

Case No. 4:18-cv-00806-SBA

**DECLARATION OF THERESA
DOWDELL IN SUPPORT OF
FEDERAL TRADE COMMISSION'S
MOTION FOR PRELIMINARY
INJUNCTION**

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DECLARATION OF THERESA DOWDELL

1. My name is Theresa Dowdell and I reside in Santa Rosa, California. The following statements are within my personal knowledge and if called as a witness I could and would competently testify thereto.

2. From November 2015 to August 2016 I worked for American Financial Benefits Center and Ameritech Financial (collectively, "the companies") in their Rohnert Park office.

3. On February 22, 2018, I sent an email to the Federal Trade Center describing my experience working for the companies. A true and correct copy of my email to the Federal Trade Commission, with my personal information redacted, is included here as **Dowdell Attachment A**.

4. I declare under penalty of perjury that the foregoing is true and correct. Executed on March 1, 2018, in Santa Rosa, California.

Theresa Dowdell

Theresa Dowdell

DOWDELL ATTACHMENT A

From: [REDACTED]
Sent:
To:
Subject:

Hello,

I am reaching out because I received a notice in the mail that the former company I used to work for is being pursued in court by the Federal Trade Commission. I would like to share some experiences I had in the almost year that I worked for American Financial Benefits Center/Ameritech Financial.

I worked for the company between Nov. 2015 and Aug. 2016. First I was a Verification Specialist for several months. At this level I read from a script on a recorded line while potential clients agreed "Yes" to everything I said. If they did not agree "Yes", then I would transfer them back to the Account Specialist who gathered their information. The point of my job was to make sure they said "Yes" to everything. It was said to me multiple times by my supervisor, Matt Wood, that I should recite the script quickly, and as monotone as possible. I believe the purpose was to bore the listener, so that they would just agree to what was being said. 9/10 the potential client would agree to everything. Multiple times a day the exact wording from potential clients would be, "That is not the way it was explained to me". A lot of the time the big issues were the Family Size they were told to agree to. Many times they would say that they were told to "Just agree to everything, and ask questions after". Little did they know, once they agreed to everything, and I converted them to an official client, they were no longer allowed to speak with the Account Specialist who assisted them in the first place. I did not really understand the program at this time, and I did not realize at this time that the company was pushing people in to something that in the long run was not something they would benefit from.

After working as a Verification Specialist for about 2 months I was promoted to a Customer Service Representative. I became one of the top CSR's, and would train all of the new CSR's. I finally understood the program as a whole, and I believed we were really helping some people. I would explain the entire program to clients 50 times a day. They just did not understand it, and most of the time it was because they fully believed the money they were paying us was going directly to their loans. They believed we were their loan servicer, and that our company was part of the Department of Education. This happened so many times that I am convinced that some of the Account Specialists did explain it that way so that the deal went through. We had access to every bit of the client's personal information and would log in to their Federal loan accounts often to set their loans on Forbearance until we could get them approved for the IBR plan using falsified family size information. Sometimes the process would take months for various reasons. We were told to tell the client that they could include people in their family size that did not live with them, that was not related to them, and that they did not account for more than 50% of their income. Some of the people we were told they could allow was: someone they take to the movies, someone they give rides to, someone they take out to lunch, any gifts, money, donations or small assistance they provide to individuals. We were told to explain to the client that the definition of Family Size is very broad, and that it usually differs from the number of exemptions on their Tax Return. At first, lots of IBRs were getting approved with obscene family size numbers. Once the loan servicers were getting thousands of these requests, they started to do many things to deter people from the program, because they really did not qualify for the program.

When clients wanted to cancel the services it was always difficult to get someone on the line from our "Retention Department" because there were so many people that wanted to cancel that there was always a long wait. While warm transferring the call, I would explain the situation, say why the client wanted to cancel and let

them know if they mentioned a refund. When I would tell them they wanted a refund the response was always, "That's not going to happen". I was told to explain it like this: We wouldn't give a refund because we operate like a gym membership. You pay to use our services {the financial education benefits package which included bogus services like LifeLock Protection and discounts) while we get you in to the program and maintain your membership, and if you decide to cancel you do not get to get a refund just because you chose not to use the services that were available to you, or just because you choose not to go to the gym doesn't mean it wasn't available to you the whole time. We were also told to explain the program like this: We operate like H&R Block. You can choose to do your taxes on your own, just like you can apply to this program on your own. Most people choose to go through a professional agency to make sure everything is correct, or that can check in on your loans to ensure you're still in the program.

To be honest, I was terminated from this job because several people cancelled the program after I explained that they no longer qualify due to various reasons. Some people had permanent disability so I would urge them to apply to have their loans dissolved. A few other people had very small family sizes, and the payment to Ameritech was the exact same as the monthly payment on their loans, so it would be better to just pay their loan off in the long run. The whole family size issue was something the company was very aware of, and they were constantly coming up with different ways to explain to people how they can make that number higher so that their program payment would be smaller. The company was all about making money, as much as they could, off of people who genuinely and desperately needed help to pay off their student loan debt. The company knows they are scamming people, but they mask it behind loopholes in the program, and bold faced lying about how the program actually works.

I hope this is helpful in assisting with the prosecution of this company. Please let me know if there is anything else I can do to help, or if you need further clarification or information.

Thank you.

Theresa Dowdell