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

FEDERAL TRADE COMMISSION,

Plaintiff,

vs.

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

AMERITECH FINANCIAL, a corporation;

FINANCIAL EDUCATION BENEFITS  
CENTER, a corporation; and

BRANDON DEMOND FRERE, individually  
and as an officer of AMERICAN FINANCIAL  
BENEFITS CENTER, AMERITECH  
FINANCIAL, and FINANCIAL EDUCATION  
BENEFITS CENTER,

Defendants.

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

**DECLARATION OF JACOB  
MARTINEZ IN SUPPORT OF  
FEDERAL TRADE COMMISSION'S  
MOTION FOR PRELIMINARY  
INJUNCTION**

**DECLARATION OF JACOB MARTINEZ**

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3 1. My name is Jacob Martinez and I reside in California. The following statements  
4 are within my personal knowledge and if called as a witness I could and would competently  
5 testify thereto.

6 2. I worked for AmeriTech Financial between December of 2016 and September of  
7 2017. Throughout my tenure at the company, I was employed as an Account/Enrollment  
8 Specialist in the sales department. I reported to the El Dorado Hills office located at 1101  
9 Investment Blvd STE 290, El Dorado Hills, CA.

10 3. Training consisted primarily of reading and memorizing the sales script.  
11 Throughout the course of my employment, the script changed numerous times.

12 4. My job duties consisted of receiving inbound phone calls from people that wanted  
13 to reduce or eliminate their student loan payments. To my recollection, AmeriTech would send  
14 our direct mailers advertising the possibility of reducing a student's monthly loan payment to  
15 zero dollars. I would also receive calls from leads generated via a Facebook ad campaign.

16 5. When I first began taking calls, my initial impression was that the script was  
17 designed to make people believe that the payments they make to our company would go towards  
18 their student loans.

19 6. My job was to encourage callers to enroll in our program and help them fill out  
20 our application over the phone. I was expected to enroll approximately ten clients in a two-week  
21 pay period. After ten, I would earn a bonus.

22 7. As part of the enrollment process, I would obtain written consent from the  
23 prospective client to log in to the Department of Education website and view their loan amount. I  
24 would also log in to their respective loan servicer website. We were then told to change or obtain  
25 their login credentials on both systems so that we would be the only ones with access. This was a  
26 requirement, and we were unable to make a sale without doing so.

27 8. In qualifying a prospective client for our program, we used a combination of  
28 family size and income. It was common practice to exaggerate family size figures in order to get

1 people to qualify. I recall managers telling us the following examples of what constituted a  
2 family member: 1) A niece or nephew that occasionally visited for dinner 2) Close friends that  
3 sleep on your couch or loan money to. 3) A close friend that uses your Netflix account.

4 9. Managers not only encouraged this practice, but also participated in the phone  
5 calls when sales agents were struggling. Managers would also have to approve family size  
6 figures that exceeded eight people and were therefore well aware of what criteria sales agents  
7 were using.

8 10. The program fees consisted of a document preparation fee and monthly fee that  
9 ranged from approximately \$49-\$99. I am not familiar with the document preparation fee. The  
10 idea behind the document preparation fee was to assist clients in applying for forbearance or an  
11 income based repayment plan. This was not my department so I am not very familiar with the  
12 process.

13 11. Clients were led to believe that the \$49-\$99 monthly fee was keeping them  
14 enrolled in a Federal program. In reality, This benefits package offered things like 24-hour  
15 roadside assistance and tax preparation services. These monthly payments were automatically  
16 drafted from the client's bank account and clients believed it was designed to continue for 10-25  
17 years or until the loan was forgiven by the Dept of Education.

18 12. I would regularly receive calls from clients that complained. The most common  
19 complaint was from clients that eventually realized their monthly payments to us were not going  
20 towards their student loan. Sometimes they would get a letter from their loan servicer, their  
21 balance would go up, or their loan would default. I would then transfer these calls to the  
22 retention department. Client's risked default.

23 13. Sometime around June and July 2017, one of the leading managers, went to  
24 Belize and Jamaica to establish overseas call centers. The new call centers would take the initial  
25 inbound calls and then patch them over to us after a brief sales pitch and pre-qualification. This  
26 new outsourcing made me uncomfortable and made the process even more confusing than it  
27 already was.

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1           14.     Shortly thereafter, I filed for all of my personal time off. I resigned on my first  
2 day back at work. The operation made feel me uncomfortable.

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5           15.     I declare under penalty of perjury that the foregoing is true and correct. Executed  
6 on           03/01/2018          , 2018, in California.

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          Jacob Martinez          

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