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

4:18-CV-00806-SBA
DECLARATION OF JACOB MARTINEZ

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

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

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

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

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

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

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

8. In qualifying a prospective client for our program, we used a combination of family size and income. It was common practice to exaggerate family size figures in order to get
people to qualify. I recall managers telling us the following examples of what constituted a
family member: 1) A niece or nephew that occasionally visited for dinner 2) Close friends that
sleep on your couch or loan money to. 3) A close friend that uses your Netflix account.

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

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

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

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

13. Sometime around June and July 2017, one of the leading managers, went to
Belize and Jamaica to establish overseas call centers. The new call centers would take the initial
inbound calls and then patch them over to us after a brief sales pitch and pre-qualification. This
new outsourcing made me uncomfortable and made the process even more confusing than it
already was.
14. Shortly thereafter, I filed for all of my personal time off. I resigned on my first
day back at work. The operation made feel me uncomfortable.

15. I declare under penalty of perjury that the foregoing is true and correct. Executed
on ______03/01/2018___________, 2018, in California.

    ___Jacob Martinez___