

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
TAMPA DIVISION**

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

PHLG ENTERPRISES LLC, a limited liability
company, and

JOEL S. TREUHAFT, individually and as an
officer or manager of PHLG ENTERPRISES LLC,

Defendants.

Case No. 8:17-cv-00220-RAL-AEP

ANSWER

Defendant, Joel S. Treuhaft (“Treuhaft”), by and through his undersigned attorney,
hereby files his Answer to Plaintiff’s Complaint, and in support thereof states as follows:

1. Admitted.

JURISDICTION AND VENUE

2. Admitted.
3. Admitted.

SUMMARY OF THE CASE

4. Without knowledge, therefore denied. Defendants were recruited under false pretenses. At all times relevant, Defendants and others were led to believe they were assisting in the collection of legitimate debt (high risk pay day advance loans) which had previously defaulted.

Defendants never communicated with Consumers. Defendants and/or Defendants' agents were provided voice verifications of certain collection authorizations as further evidence that the collections being made were the collection of legitimate debt.

PLAINTIFF

5. Admitted.

6. Admitted.

DEFENDANTS

7. Admitted.

8. Admitted in part, denied in part. Denied that PHLG Enterprises or Treuhaft knowingly engaged in the acts or practices set forth in Plaintiff's Complaint.

COMMERCE

9. Without knowledge, therefore denied.

DEFENDANTS' BUSINESS PRACTICES

10. Without knowledge, therefore denied. At all times relevant, Defendants and others were led to believe they were assisting in the collection of high risk pay day advance loans which had previously defaulted.

11. Admitted. "Runners" were also known as collection agents.

12. Admitted in part, denied in part. At all times relevant, Defendants and others were led to believe they were assisting in the collection of legitimate high risk pay day advance loans which had previously defaulted.

13. Without knowledge, therefore denied.

14. Admitted in part, denied in part. At some point in time Defendant's compensation was reduced to 6% to compensate for losses and internal theft.

The Telemarketers' False Representations

- 15. Without knowledge, therefore denied.
- 16. Without knowledge, therefore denied.
- 17. Without knowledge, therefore denied.
- 18. Without knowledge, therefore denied.
- 19. Without knowledge, therefore denied.
- 20. Without knowledge, therefore denied.
- 21. Without knowledge, therefore denied.

Defendants' Collection of Consumers' Fraudulently Induced Payments

- 22. Without knowledge, therefore denied.
- 23. Without knowledge, therefore denied.
- 24. Denied as to Defendants' participation. Without knowledge, therefore denied as to the remainder of the allegations.

- 25. Admitted.
- 26. Without knowledge, therefore denied.
- 27. Without knowledge, therefore denied.
- 28. Without knowledge, therefore denied.
- 29. Without knowledge, therefore denied.
- 30. Without knowledge, therefore denied.
- 31. Without knowledge, therefore denied.
- 32. Admitted in part, denied in part.
- 33. Admitted in part, without knowledge therefore denied in part. Admitted that some runners were "blacklisted".

- 34. Denied.
- 35. Denied.
- 36. Denied.
- 37. Denied.
- 38. Without knowledge, therefore denied.
- 39. Denied.

Defendants' Monetary Transfers to Telemarketers

- 40. Denied.
- 41. Admitted.
- 42. Denied.
- 43. Denied.
- 44. Without knowledge, therefore denied.
- 45. Denied.
- 46. Denied.
- 47. Denied. Defendants were actively misled.

VIOLATIONS OF THE FTC ACT

- 48. Admitted.
- 49. Admitted as to the language in the referenced statute.

COUNT I

Unfair Collection of Consumers' Funds

- 50. Denied.
 - i. Without knowledge, therefore denied.
 - ii. Denied.

51. Denied.

52. Denied.

VIOLATIONS OF THE TELEMARKETING SALES RULE

53. Admitted as to the content of the referenced statute.

54. Denied.

55. Admitted as to the content of the referenced regulation.

56. Admitted as to the content of the referenced regulation.

57. Admitted as to the content of the referenced statute.

58. Admitted as to the content of the referenced statute.

COUNT II

Assisting and Facilitating TSR Violations

59. Admitted in part, denied in part. Denied that Defendants provided substantial assistance.

a. Denied.

b. Denied.

CONSUMER INJURY

60. Denied.

THIS COURT'S POWER TO GRANT RELIEF

61. Admitted as to the content of the referenced statute.

62. Admitted as to the content of the referenced statute.

PRAYER FOR RELIEF

WHEREFORE, Defendant Treuhaft respectfully requests that Judgment be entered in favor of Treuhaft and against Plaintiff, and for any other relief in law or equity as justice may require.

Respectfully submitted,

/s/ Todd Foster

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on February 1, 2017, I filed the foregoing electronically through the Court's CM/ECF system, which caused a copy to be served by email on the following counsel for Plaintiff:

Rhonda P. Perkins, Esq.
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/s/ Todd Foster

TODD FOSTER