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FEDERAL TRADE COMMISSION

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Federal Trade Commission,

Plaintiff,

v.

**Accelerated Debt Settlement Inc., a
Wyoming corporation,**

**ADS Resolve LLC, a Nevada limited
liability company,**

**Financial Solutions Group LLC, a
Delaware limited liability company,**

**Unified Capital Services LLC, a South
Dakota limited liability company,**

Mediawerks, a Wyoming corporation,

**Resolution Specialists LLC, a Nevada
limited liability company,**

**Futura Capital, LLC, a Nevada limited
liability company,**

**Jeffrey A. Lakes, in his individual and
corporate capacity,**

CASE NO. **CV25-02443-PHX-SMB**

**COMPLAINT FOR PERMANENT
INJUNCTION, MONETARY
JUDGMENT, AND OTHER RELIEF**

**DOCUMENT SUBMITTED UNDER
SEAL**

1 **Robert Knechtel**, in his individual and
2 corporate capacity, and

3 **Elizabeth Reaney**, in her individual and
4 corporate capacity,

5 Defendants.

6 Plaintiff, the Federal Trade Commission (“FTC”), for its Complaint alleges:

- 7
8 1. The FTC brings this action for Defendants’ violations of Section 5(a) of the Federal
9 Trade Commission Act (“FTC Act”), 15 U.S.C. § 45(a), the FTC’s Telemarketing
10 Sales Rule (“TSR”), 16 C.F.R. Part 310, the FTC’s Trade Regulation Rule on
11 Impersonation of Government and Businesses (“Impersonation Rule”), 16 C.F.R. Part
12 461, Section 604(f)(1) of the Fair Credit Reporting Act (“FCRA”), 15 U.S.C.
13 § 1681b(f)(1), and Section 521 of the Gramm-Leach-Bliley Act (“GLB Act”), 15
14 U.S.C. § 6821. Defendants’ violations relate to their deceptive marketing and sale of
15 debt relief services. For these violations, the FTC seeks relief, including temporary,
16 preliminary, and permanent injunctions, monetary relief, and other relief, including an
17 asset freeze, appointment of a receiver, and immediate access to Defendants’ business
18 premises, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and
19 57b, Section 6(b) of the Telemarketing and Consumer Fraud and Abuse Prevention
20 Act (“Telemarketing Act”), 15 U.S.C. § 6105(b), Section 621(a) of the FCRA, 15
21 U.S.C. § 1681s(a), and Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a).
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SUMMARY OF CASE

2. Defendants have deceived thousands of consumers, mostly older consumers, into paying thousands of dollars for debt relief services that are made up, not as described, or simply never materialize.
3. Posing, first, as consumers' credit card issuers and then as various federal government agencies or consumer reporting agencies ("CRAs") including Experian, Defendants tell consumers that their credit cards have been compromised and need to be closed. Defendants then market their services that are represented to reduce consumers' credit card debts. Defendants, however, do not follow up on their promises, and provide little or no services at all. Thus, after paying thousands of dollars in illegal advance fees, consumers experience no significant reduction in their unsecured debts but, instead, often find themselves deeper in debt and with worsened credit scores.
4. Defendants routinely use account information unlawfully obtained from consumers' credit reports to convince consumers that they are consumers' credit card issuers, government agencies, or CRAs and to charge consumers thousands in illegal advance fees. In addition, in the course of their telemarketing, Defendants routinely call consumers on the FTC's Do Not Call list.
5. Through this action, the FTC seeks to put an end to Defendants' scheme and secure redress for the consumers whom Defendants have harmed.

JURISDICTION AND VENUE

6. This Court has subject matter jurisdiction pursuant to 28 U.S.C. §§ 1331, 1337(a), and 1345.

1 7. Venue is proper in this District under 28 U.S.C. §§ 1391(b)(2), (c)(1), (c)(2), and (d),
2 and 15 U.S.C. § 53(b).

3 **PLAINTIFF**

4 8. The FTC is an agency of the United States Government created by the FTC Act,
5 which authorizes the FTC to commence this district court civil action by its own
6 attorneys. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15
7 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting
8 commerce. The FTC also enforces the Telemarketing Act, 15 U.S.C. §§ 6101-6108.
9 Pursuant to the Telemarketing Act, the FTC promulgated and enforces the TSR, 16
10 C.F.R. Part 310, which prohibits deceptive and abusive telemarketing acts or practices
11 in or affecting commerce. The FTC also enforces the Impersonation Rule, 16 C.F.R.
12 Part 461, which prohibits the impersonation of the government and businesses. The
13 FTC also enforces the FCRA, 15 U.S.C. §§ 1681-1681x, which protects the privacy of
14 consumer information by limiting the provision and use of consumer credit reports.
15 The FTC also enforces Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a), which
16 prohibits obtaining a person's financial information by making false, fictitious, or
17 fraudulent statements.

18 **DEFENDANTS**

19 9. **Defendant Accelerated Debt Settlement Inc.** ("Accelerated Debt") is a Wyoming
20 corporation with its principal place of business at 3922 E University Drive, Suite 6,
21 Phoenix, Arizona. It is also registered as a foreign corporation in Pennsylvania,
22 Colorado, Utah, Arizona, Florida, Massachusetts, and Mississippi. It has also used
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1 addresses at 1603 Capitol Avenue, Suite 310-A444, Cheyenne, Wyoming.

2 Accelerated Debt also does business as Accelerated Debt Solutions and ADS Resolve.

3 Accelerated Debt transacts or has transacted business in this district and throughout
4 the United States. At all times relevant to this Complaint, acting alone or in concert
5 with others, Accelerated Debt has advertised, marketed, distributed, or sold debt relief
6 services to consumers throughout the United States.
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8 **10. Defendant ADS Resolve LLC** (“ADS Resolve”) is a Nevada limited liability
9 company with its principal place of business at 3922 E University Drive, Suite 6,
10 Phoenix, Arizona. It has also used addresses at 3495 Lakeside Drive Suite 1234,
11 Reno, Nevada and 732 South 6th Street, Suite N, Las Vegas, Nevada. ADS Resolve
12 transacts or has transacted business in this district and throughout the United States.
13 At all times relevant to this Complaint, acting alone or in concert with others, ADS
14 Resolve has advertised, marketed, distributed, or sold debt relief services to
15 consumers throughout the United States.
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18 **11. Defendant Financial Solutions Group LLC** (“Financial Solutions”) is a Delaware
19 limited liability company with its principal place of business at 3922 E University
20 Drive, Suite 6, Phoenix, Arizona. It is registered as a foreign limited liability
21 company in Massachusetts, Mississippi, New Hampshire, Utah, Vermont, Indiana,
22 Pennsylvania, Wisconsin, and Michigan. It has also used addresses at 1603 Capitol
23 Avenue, Suite 310-A444, Cheyenne, Wyoming, 8 The Green, Suite A, Dover,
24 Delaware, and 11650 Olio Road, Suite 1000-259, Fishers, Indiana. Financial
25 Solutions also does business as Accelerated Debt Settlement LLC and Accelerated
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1 Debt Solutions LLC. Financial Solutions transacts or has transacted business in this
2 district and throughout the United States. At all times relevant to this Complaint,
3 acting alone or in concert with others, Financial Solutions has advertised, marketed,
4 distributed, or sold debt relief services to consumers throughout the United States.
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6 **12. Defendant Unified Capital Services LLC** ("Unified Capital") is a South Dakota
7 limited liability company with its principal place of business at 3922 E University
8 Drive, Suite 6, Phoenix, Arizona. It has also used addresses at 7200 E. Ridgeview
9 Place, Unit 5, Carefree, Arizona, 1712 Pioneer Avenue, Suite 7000, Cheyenne,
10 Wyoming, and 515 W 41st Street, Sioux Falls, South Dakota. Unified Capital is
11 formerly known as Alternative Industrial Services, LLC. Unified Capital also does
12 business as Unified Debt. Unified Capital transacts or has transacted business in this
13 district and throughout the United States. At all times relevant to this Complaint,
14 acting alone or in concert with others, Unified Capital has advertised, marketed,
15 distributed, or sold debt relief services to consumers throughout the United States.
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18 **13. Defendant Mediawerks** ("Mediawerks") is a Wyoming corporation with its principal
19 place of business at 3922 E University Drive, Suite 6, Phoenix, Arizona. It has also
20 used addresses at 1603 Capitol Avenue, Suite 310 A444, Cheyenne, Wyoming.
21
22 Mediawerks transacts or has transacted business in this district and throughout the
23 United States. At all times relevant to this Complaint, acting alone or in concert with
24 others, Mediawerks has advertised, marketed, distributed, or sold debt relief services
25 to consumers throughout the United States.
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1 **14. Defendant Resolution Specialists LLC** (“Resolution Specialists”) is a Nevada
2 limited liability company with its principal place of business at 3922 E University
3 Drive, Suite 6, Phoenix, Arizona. It has also used addresses at 7200 E. Ridgeview
4 Place, Unit 5, Carefree, Arizona and 732 S 6th Street, Suite R, Las Vegas, Nevada.
5 Resolution Specialists transacts or has transacted business in this district and
6 throughout the United States. At all times relevant to this Complaint, acting alone or
7 in concert with others, Resolution Specialists has advertised, marketed, distributed, or
8 sold debt relief services to consumers throughout the United States.
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10 **15. Defendant Futura Capital, LLC** (“Futura Capital”) is a Nevada limited liability
11 company with its principal place of business at 3922 E University Drive, Suite 6,
12 Phoenix, Arizona. It has also used addresses at 187 E. Warm Springs Road, Suite B,
13 Las Vegas, Nevada and 15119 E. Desert Vista Trail, Scottsdale, Arizona. Futura
14 Capital transacts or has transacted business in this district and throughout the United
15 States. At all times relevant to this Complaint, acting alone or in concert with others,
16 Futura Capital has advertised, marketed, distributed, or sold debt relief services to
17 consumers throughout the United States.
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19 **16. Defendant Jeffrey A. Lakes** is or was an owner, officer, director, member, or
20 manager of Accelerated Debt, ADS Resolve, Financial Solutions, Unified Capital,
21 Mediawerks, and Futura Capital. In particular, he is the owner, president, chief
22 executive officer, and sole director of Accelerated Debt; the owner and sole
23 member/manager of ADS Resolve; owner, member, manager, and chief executive
24 officer of Financial Solutions; president and sole director of Mediawerks; and sole
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1 member/manager of Futura Capital. He is an authorized signatory authority on
2 Defendants' bank accounts and merchant accounts. He is the registrant for
3 Defendants' Internet websites, which are often paid using his credit card and is
4 responsible for developing the scheme's general strategy. At all times relevant to this
5 Complaint, acting alone or in concert with others, he has formulated, directed,
6 controlled, had the authority to control, or participated in the acts and practices
7 described in this Complaint. He resides in this District and, in connection with the
8 matters alleged herein, transacts or has transacted business in this District and
9 throughout the United States.
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12 17. **Defendant Robert Knechtel** is or was an owner, officer, director, member, or
13 manager of Accelerated Debt, Financial Solutions, Unified Capital, and Resolution
14 Specialists. In particular, he is the chief legal officer (although his Arizona license is
15 currently suspended) of Accelerated Debt and Financial Solutions, and the owner and
16 sole member/manager of Unified Capital and Resolution Specialists. He is an
17 authorized signatory authority on Defendants' bank accounts and merchant accounts,
18 has responded on behalf of Defendants to prior law enforcement inquiries, and is
19 responsible for overseeing the scheme's legal strategy. At all times relevant to this
20 Complaint, acting alone or in concert with others, he has formulated, directed,
21 controlled, had the authority to control, or participated in the acts and practices
22 described in this Complaint. He resides in this District and, in connection with the
23 matters alleged herein, transacts or has transacted business in this District and
24 throughout the United States.
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1 18. **Defendant Elizabeth Reaney** is or was an owner, officer, director, member, or
2 manager of Accelerated Debt, Financial Solutions, and Mediawerks. In particular,
3 she is the chief financial officer of Accelerated Debt and Financial Solutions, and the
4 treasurer of Mediawerks. She is an authorized signatory authority on Defendants'
5 bank accounts and merchant accounts. At all times relevant to this Complaint, acting
6 alone or in concert with others, she has formulated, directed, controlled, had the
7 authority to control, or participated in the acts and practices described in this
8 Complaint. She resides in this District and, in connection with the matters alleged
9 herein, transacts or has transacted business in this District and throughout the United
10 States.
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13 COMMON ENTERPRISE

14 19. Defendants Accelerated Debt, ADS Resolve, Financial Solutions, Unified Capital,
15 Mediawerks, Resolution Specialists, and Futura Capital (collectively, "Corporate
16 Defendants") have operated as a common enterprise while engaging in the unlawful
17 acts and practices described below. Corporate Defendants have conducted the
18 business practices described below through an interrelated network of companies that
19 have common ownership, officers, business functions, employees, managers, and
20 office locations, and have commingled funds. Because these Corporate Defendants
21 have operated as a common enterprise, each of them is liable for the acts and practices
22 alleged below.
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COMMERCE

20. At all times relevant to this Complaint, Defendants have maintained a substantial course of trade in or affecting commerce, as “commerce” is defined in Section 4 of the FTC Act, 15 U.S.C. § 44.

DEFENDANTS’ DEBT RELIEF SCAM

21. Defendants own and operate a debt relief scam that preys on mostly older consumers, some of whom are veterans, by (A) impersonating consumers’ banks or credit card issuers, the U.S. government, or a CRA; (B) making false promises of reducing consumers’ unsecured debts; (C) collecting illegal advance fees; (D) using prohibited remotely created checks; (E) unlawfully obtaining consumers’ credit reports; and (F) violating Do Not Call requirements. Defendants have additionally solicited consumers who seek debt relief services through inbound and outbound telemarketing. Since at least February 2022, Defendants have collected thousands of dollars per consumer from many consumers—grossing over \$100 million.

Defendants’ Outbound Telemarketing Activities

22. To induce the purchase of Defendants’ debt relief services, in numerous instances Defendants, directly or through their agents or intermediaries, have initiated telephone calls to telephone numbers on the National Do Not Call Registry (“Registry”).

23. In numerous instances, Defendants directly or through their agents or intermediaries, have initiated telephone calls to telephone numbers on the Registry without having paid the annual fee required by Section 310.8(c) of the TSR for access to the Registry.

1 24. Defendants' outbound telemarketing scheme typically consists of three steps: an
2 initial conversation with Defendants who falsely pose as one of the consumer's credit
3 card issuers, a second conversation with Defendants who now falsely pose as a
4 government agency or CRA, and lastly an enrollment sales pitch from Defendants.
5 Typically, all three conversations occur during the same telephone call, although in
6 some instances they occur in separate calls.
7

8 ***Step 1: Defendants Pose as Consumers' Credit Card Issuers***

9 25. Defendants typically initiate contact with consumers through an outbound
10 telemarketing call. If a consumer does not answer, Defendants leave a message
11 asking the consumer to call them back. In numerous instances, the numbers from
12 which Defendants call consumers appear on their caller IDs as coming from
13 consumers' banks or credit card issuers.
14

15 26. Defendants' representatives purport to be calling from consumers' bank or credit card
16 issuers and falsely inform consumers that fraudulent activity has been observed on
17 one of the consumers' credit cards.
18

19 27. The conversation typically ends with Defendants telling consumers that they will be
20 transferred to a government agency or, more recently, a CRA.
21

22 ***Step 2: Defendants Pose as a Government Agency or CRA***

23 28. Defendants then transfer consumers to another representative who claims to be with
24 the government, including the Social Security Administration ("SSA") or the
25 Consumer Financial Protection Bureau ("CFPB"), or, more recently, to a
26 representative who claims to be with a CRA, typically Experian. Defendants'
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1 representatives falsely reiterate that fraudulent activity has occurred on one or more of
2 the consumers' credit cards.

3 29. In numerous instances, Defendants have obtained consumers' credit reports without
4 consumers' written instructions or any other permissible purpose set forth in Section
5 604 of the FCRA. In numerous instances, in speaking with consumers, the
6 representatives proceed to list some or all of the consumers' credit cards, including
7 full account numbers and account balances.

8
9 30. Defendants' representatives instruct consumers that they need to close their credit
10 card accounts and pay off the balances—which is false. The representatives then tell
11 consumers that because of their age they qualify for a special program that will help
12 them close their accounts. In many cases, the representatives falsely tell consumers
13 that they qualify for a special debt relief program or lower interest rate, because, for
14 example, they are a senior citizen.

15
16 31. At this point, the representatives inform consumers that they will be transferred to a
17 company that can reduce their credit card balances. Typically, this is the first time
18 that consumers hear Defendants' trade name, variously Accelerated Debt Solutions,
19 ADS Resolve, Financial Solutions Group, or Unified Capital Services.

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22 ***Step 3: Enrollment Sales Pitch***

23 32. Defendants then transfer consumers to representatives who, for the first time, identify
24 themselves as working for Defendants.

25 33. Defendants' representatives inform consumers that they are going to assist consumers
26 in paying off their credit card balances. Defendants' representatives explain that they
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1 will negotiate consumers' credit card balances down to a lower amount at which point
2 they would be paid off. In numerous instances, Defendants' representatives state that
3 they can reduce consumers' debt by, variously, 30% to 75%, and in some instances
4 state that up to 100% of consumers' debts will be forgiven.

5
6 34. In numerous instances, Defendants' representatives state they have helped thousands
7 of clients.

8 35. Defendants' representatives explain that the negotiation process typically takes up to
9 twelve months. Defendants instruct consumers to stop making credit card payments
10 and ignore communications from their credit card issuers.

11
12 36. Defendants' representatives do not tell consumers that their failure to make timely
13 payments on their credit cards will likely result in a reduced credit score after the 12-
14 month program. Instead, Defendants affirmatively mislead consumers by saying that
15 their credit scores might temporarily decrease while in the program, but that their
16 credit scores will improve or return to normal after the program is done—which is
17 false.

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19 37. In some instances, Defendants' representatives assure consumers that if they are sued
20 by any creditor, Defendants would provide legal representation to defend them.

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22 38. Defendants' representatives explain that in order to proceed with the debt relief
23 services, consumers need to sign a contract electronically that would be emailed to
24 them.

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26 39. Defendants' representatives state that Defendants require an up-front fee, typically in
27 an amount of several thousand dollars. In numerous instances, Defendants falsely

1 assure consumers that the fee will be placed into an escrow account. In numerous
2 instances, Defendants tell consumers that the fee will be part of the overall debt that
3 will be reduced or eliminated by the end of the program, and, therefore, consumers
4 will not actually have to pay it.

5
6 40. Defendants then email consumers an electronic contract while still on the phone with
7 them. At this point, in numerous instances, consumers, many of whom are elderly,
8 have been on the phone for a lengthy period of time, sometimes several hours, and
9 have been told repeatedly one or more of their credit cards have been compromised.
10 Accordingly, in numerous instances, consumers feel pressured to sign the contract
11 while still on the phone with Defendants. In numerous instances, consumers have
12 also felt pressured to sign the contract without fully reviewing its contents.
13

14 **Defendants' Inbound Telemarketing Activities**

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16 41. Defendants also have solicited consumers through direct mail advertisements, radio
17 advertisements, and a number of Internet websites.

18 42. In direct mail advertisements, Defendants have claimed: "[First name], we want to let
19 you know about our Accelerated Debt Solutions program, designed to help you take
20 control of your financial situation and reduce your debt by up to 75%."

21
22 43. In addition, Defendants have also placed advertisements on the radio (such as Sirius
23 XM) that have made the following statements regarding their debt relief services:
24 "Accelerated Debt Settlement can cut your debt by up to 85% and in as little as 7 to
25 12 months," "In just months, Accelerated Debt Settlement's legal team will negotiate
26 your unsecured debt down 60, 80, even 100 percent. Your debt from credit cards,
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1 student loans, time shares, medical expenses, and more cut down 60, 80, even 100
2 percent,” “Our legal team and debt negotiators have helped thousands of people get
3 free of debt,” and “I saved more than half of what I owed.”

4 44. In addition, Defendants have operated several websites, including but not limited to
5 accelerateddebtsettlement.com, accelerateddebtssolutions.com, adsresolve.com,
6 resolutionspecialistsllc.com, and unifieddebt.com, that have made the following
7 statements regarding their debt relief services: “Complete Consolidation Reached At
8 0% Interest, No Penalties” and “the Legal Department has consistently achieved
9 remarkable results, saving clients across various creditors and situations an average of
10 over 65% off the original balance.” Defendants’ websites also depict purported
11 success stories of consumers for whom Defendants have allegedly reduced debts. The
12 purported testimonials include the following statements: “ADS helped reduce my
13 debt by over 65%”, “ADS helped me completely eliminate my debt”, and “They
14 negotiated my debt down almost 70%.”

15 45. Defendants’ direct mail and radio advertisements and websites list telephone numbers
16 for consumers to call to learn more or enroll in Defendants’ debt relief services.
17 Consumers who contact Defendants by calling the telephone number in response to
18 Defendants’ mailers, radio advertisements, or Defendants’ websites then hear the
19 same enrollment sales pitch identified in Step 3 above, including that Defendants will
20 reduce or eliminate their credit card debt.
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Defendants Charge Illegal Advance Fees

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- 2 46. In numerous instances, shortly after signing the contract, Defendants charge
- 3 consumers' credit cards in the total amount mentioned during the telephone call,
- 4 typically several thousand dollars. Although the contract specifies which credit cards
- 5 will be charged and in what amount, in numerous instances, that information is not
- 6 disclosed by Defendants' representatives when on the phone.
- 7
- 8 47. In some instances, Defendants are not able to charge consumers' credit cards for the
- 9 up-front fee. Instead, Defendants require consumers to provide their financial
- 10 information, namely their bank account routing number and bank account number, on
- 11 the phone. In some instances, Defendants use this information to create or cause to be
- 12 created remotely created checks as payment for their debt relief services.
- 13
- 14 48. In numerous instances, Defendants take the monies as fees before settling,
- 15 renegotiating, reducing, or otherwise altering the terms of any of the consumers' debts
- 16 pursuant to valid contractual agreements executed by consumers, and before
- 17 consumers have made at least one payment pursuant to that agreement.
- 18
- 19 49. In numerous instances, Defendants take the monies as fees in amounts that (A) do not
- 20 bear the same proportional relationship to the total fees collected as the amounts
- 21 actually renegotiated, settled, reduced, or altered, and (B) are not a percentage of the
- 22 amount saved as a result of the renegotiation, settlement, reduction, or alteration,
- 23 which percentage is the same for all enrolled debts.
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Defendants Do Not Provide the Promised Debt Relief Services

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2 50. Shortly after charging consumers' credit cards, Defendants typically send consumers
3 a "Welcome" email containing a welcome letter and other documents. One such
4 document, entitled "Procedure for Notifying Creditors," is a document that includes
5 letters addressed to the consumer's creditors that are to be signed by the consumer
6 that purport to authorize Defendants to communicate with and receive correspondence
7 from those creditors. Defendants again instruct consumers to stop making payment
8 on their credit cards.
9

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11 51. In numerous instances, even when consumers have not signed any Procedure for
12 Notifying Creditors letters, consumers discover that Defendants have nevertheless
13 changed the addresses on consumers' credit accounts to Defendants' address. In
14 numerous instances, consumers also discover that Defendants have added their
15 address to their consumer credit reports with the various credit reporting agencies.
16

17 52. In numerous instances, contrary to the promises made by Defendants' telemarketers,
18 Defendants do not settle or otherwise reduce the outstanding balances on consumers'
19 credit cards. As a result, Defendants often have caused consumers to end up in a
20 worse financial position than before they enrolled in Defendants' debt relief
21 services—first, with higher credit card debt because of Defendants' fees as well as
22 late fees and other charges assessed due to consumers having stopped making
23 payments (at Defendants' instruction) on their cards and, second, with lower credit
24 scores.
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1 53. In numerous instances, when consumers attempt to cancel their contract and request a
2 refund of the fees they have paid, Defendants have refused or ignored those requests.

3 54. Defendants are not consumers' credit card issuers, nor are they affiliated with,
4 endorsed or sponsored by, or otherwise working with any such credit card issuer.

5 55. Defendants are not a government agency, such as the SSA or CFPB, nor are they
6 affiliated with, endorsed or sponsored by, or otherwise working with any such agency.

7 56. Defendants are not a consumer reporting agency, such as Experian, nor are they
8 affiliated with, endorsed or sponsored by, or otherwise working with any such agency.

9 57. During the three years prior to the filing of this Complaint, Defendants have collected
10 over \$100 million from consumers through their unlawful debt relief services scheme.

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13 **Ongoing Conduct**

14 58. Based on the facts and violations of law alleged in this Complaint, the FTC has reason
15 to believe that Defendants are violating or are about to violate laws enforced by the
16 FTC.

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18 **VIOLATIONS OF THE FTC ACT**

19 59. Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), prohibits "unfair or deceptive acts or
20 practices in or affecting commerce."

21 60. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or
22 practices prohibited by Section 5(a) of the FTC Act.
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Count I
Deceptive Debt Relief Representations

61. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of debt relief services, Defendants represent, directly or indirectly, expressly or by implication, that:
- a. Defendants' debt relief services will reduce consumer debts substantially;
 - b. The upfront fee that Defendants charge to consumers' credit cards is part of the overall debt that Defendants will reduce or eliminate, and therefore consumers will not actually have to pay this fee; and
 - c. Any negative effect on consumers' credit scores is temporary, and consumers' credit scores will improve or return to normal after the completion of Defendants' services.
62. In numerous instances, Defendants' representations as described in Paragraph 61 are false or misleading or were not substantiated at the time the representations were made.
63. Therefore, Defendants' representations as described in Paragraph 61 are false or misleading and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

Count II
Deceptive Impersonation Claims

64. In numerous instances, in connection with the advertising, marketing, promotion, offering for sale, or sale of debt relief services, Defendants represent, directly or indirectly, expressly or by implication, that:

- 1 a. Defendants are consumers' banks or credit card issuers;
- 2 b. Defendants are the federal government, including specifically the Social Security
- 3 Administration and the Consumer Financial Protection Bureau; and
- 4 c. Defendants are consumer reporting agencies, including specifically Experian.

5
6 65. In fact, in numerous instances in which Defendants have made the representations
7 described in Paragraph 64:

- 8 a. Defendants are not consumers' banks or credit card issuers;
- 9 b. Defendants are not the federal government, including specifically the Social
- 10 Security Administration and the Consumer Financial Protection Bureau; and
- 11 c. Defendants are not consumer reporting agencies, including specifically Experian.

12
13 66. Therefore, Defendants' representations as described in Paragraph 64 are false or
14 misleading and constitute deceptive acts or practices in violation of Section 5(a) of the
15 FTC Act, 15 U.S.C. § 45(a).
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17 **VIOLATIONS OF THE TELEMARKETING SALES RULE**

18 67. In 1994, Congress directed the FTC to prescribe rules prohibiting abusive and
19 deceptive telemarketing acts or practices pursuant to the Telemarketing Act, 15
20 U.S.C. §§ 6101–6108. The FTC adopted the original TSR in 1995, extensively
21 amended it in 2003, and amended certain sections thereafter.
22

23 68. Defendants are “seller[s]” or “telemarketer[s]” engaged in “telemarketing” as defined
24 by the TSR, 16 C.F.R. § 310.2(dd), (ff), and (gg). A “seller” means any person who,
25 in connection with a telemarketing transaction, provides, offers to provide, or arranges
26 for others to provide goods or services to a customer in exchange for consideration.
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1 16 C.F.R. § 310.2(dd). A “telemarketer” means any person who, in connection with
2 telemarketing, initiates or receives telephone calls to or from a customer or donor. 16
3 C.F.R. § 310.2(ff). “Telemarketing” means a plan, program, or campaign which is
4 conducted to induce the purchase of goods or services or a charitable contribution, by
5 use of one or more telephones and which involves more than one interstate telephone
6 call. 16 C.F.R. § 310.2(gg).

8 69. Defendants are sellers or telemarketers of “debt relief services” as defined by the
9 TSR, 16 C.F.R. § 310.2(o). Under the TSR, a “debt relief service” means any
10 program or service represented, directly or by implication, to renegotiate, settle, or in
11 any way alter the terms of payment or other terms of the debt between a person and
12 one or more unsecured creditors, including, but not limited to, a reduction in the
13 balance, interest rate, or fees owed by a person to an unsecured creditor or debt
14 collector. 16 C.F.R. § 310.2(o).

17 70. Defendants have initiated, or have caused telemarketers to initiate, “outbound
18 telephone calls” to consumers. Under the TSR, an “outbound telephone call” means a
19 telephone call initiated by a telemarketer to induce the purchase of goods or services
20 or to solicit a charitable contribution. 16 C.F.R. § 310.2(v).

21
22 71. The TSR requires sellers and telemarketers, before a customer consents to pay for any
23 debt relief service, to disclose truthfully, in a clear and conspicuous manner, to the
24 extent that any aspect of a debt relief service relies upon or results in the customer’s
25 failure to make timely payments to creditors or debt collectors, that the use of the debt
26 relief service will likely adversely affect the customer’s creditworthiness, may result
27

1 in the customer being subject to collections or being sued by creditors or debt
2 collectors, and may increase the amount of money the customer owes due to the
3 accrual of fees and interest. 16 C.F.R. § 310.3(a)(1)(viii)(C).

4 72. The TSR prohibits sellers and telemarketers from misrepresenting directly or by
5 implication any material aspect of any debt relief service, including, but not limited
6 to, the amount of money or the percentage of the debt amount that a customer may
7 save by using the service. 16 C.F.R. § 310.3(a)(2)(x).

8
9 73. The TSR prohibits sellers and telemarketers from requesting or receiving payment of
10 any fees or consideration for any debt relief service unless and until:

- 11
12 a. The seller or telemarketer has renegotiated, settled, reduced, or otherwise altered
13 the terms of at least one debt pursuant to a settlement agreement, debt
14 management plan, or other such valid contractual agreement executed by the
15 customer; and
16
17 b. The customer has made at least one payment pursuant to that settlement
18 agreement, debt management plan, or other valid contractual agreement between
19 the customer and creditor; and
20
21 c. To the extent that debts enrolled in a service are renegotiated, settled, reduced, or
22 otherwise altered individually, the fee or consideration either:
- 23 i. Bears the same proportional relationship to the total fee for renegotiating,
24 settling, reducing, or altering the terms of the entire debt balance as the
25 individual debt amount bears to the entire debt amount. The individual debt
26
27

1 amount and entire debt amount are those owed at the time the debt was
2 enrolled in the service; or

- 3 ii. Is a percentage of the amount saved as a result of the renegotiation,
4 settlement, reduction, or alteration. The percentage charged cannot change
5 from one individual debt to another. The amount saved is the difference
6 between the amount owed at the time the debt was enrolled in the service
7 and the amount actually paid to satisfy the debt.
8

9 16 C.F.R. § 310.4(a)(5)(i).
10

11 74. The TSR requires sellers and telemarketers to transmit or cause to be transmitted the
12 telephone number, and, when made available by the telemarketer's carrier, the name
13 of the telemarketer, to any caller identification service in use by a recipient of a
14 telemarketing call, or transmit the customer service number of the seller on whose
15 behalf the call is made and, when made available by the telemarketer's seller, the
16 name of the seller. 16 C.F.R. § 310.4(a)(8).
17

18 75. The TSR prohibits sellers and telemarketers from creating or causing to be created,
19 directly or indirectly, a remotely created payment order as payment for goods or
20 services offered or sold through telemarketing. 16 C.F.R. § 310.4(a)(9). A remotely
21 created payment order includes a remotely created check. 16 C.F.R. § 310.2(cc).
22

23 76. The TSR prohibits sellers and telemarketers from initiating an outbound telephone
24 call to numbers on the Registry. 16 C.F.R. § 310.4(b)(1)(iii)(B).
25

26 77. The TSR prohibits sellers from initiating, or causing any telemarketer to initiate, an
27 outbound telephone call to any person whose telephone number is within a given area

1 code unless the seller, directly or through another person, first has paid the annual fee
2 required by Section 310.8(c) of the TSR for access to telephone numbers within that
3 area code that are included in the Registry. 16 C.F.R. § 310.8(a).

4 78. The TSR prohibits telemarketers, on behalf of any seller, from initiating an outbound
5 telephone call to any person whose telephone number is within a given area code
6 unless that seller, directly or through another person, first has paid the annual fee
7 required by Section 310.8(c) of the TSR for access to telephone numbers within that
8 area code that are included in the Registry. 16 C.F.R. § 310.8(b).

9
10 79. Pursuant to Section 3(c) of the Telemarketing Act, 15 U.S.C. § 6102(c), and Section
11 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the TSR constitutes an
12 unfair or deceptive act or practice in or affecting commerce, in violation of Section
13 5(a) of the FTC Act, 15 U.S.C. § 45(a). Section 19(a)(1) of the FTC Act, 15 U.S.C.
14 § 57b(a)(1), provides that the FTC may commence a civil action against “any person,
15 partnership, or corporation” who “violates any rule . . . respecting unfair or deceptive
16 acts or practices.” Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in
17 any action commenced under Section 19(a)(1), the court “shall have jurisdiction to
18 grant such relief as the court finds necessary to redress injury to consumers, including
19 but not limited to rescission or reformation of contracts, the refund of money or return
20 of property.”
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Count III
Material Debt Relief Misrepresentation

80. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have misrepresented, directly or indirectly, expressly or by implication, material aspects of their debt relief services, including, but not limited to, that:
- a. Defendants' debt relief services will reduce consumer debts substantially;
 - b. The upfront fee that Defendants charge to consumers' credit cards is part of the overall debt that Defendants will reduce, and therefore consumers will not actually have to pay this fee;
 - c. Any negative effect on consumers' credit scores is temporary, and consumers' credit scores will improve or return to normal after the completion of Defendants' services;
 - d. Defendants are consumers' banks or credit card issuers;
 - e. Defendants are the federal government, including specifically the Social Security Administration and the Consumer Financial Protection Bureau; and
 - f. Defendants are consumer reporting agencies, including specifically Experian.
81. Therefore, Defendants' acts or practices as described in Paragraph 80 violate Section 310.3(a)(2)(x) of the TSR, 16 C.F.R. § 310.3(a)(2)(x).

Count IV
Failure to Make Required Disclosures Regarding Debt Relief Services

82. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have failed to disclose, in a clear and conspicuous manner, that their debt relief services—which direct consumers to stop making timely payments to their

1 credit card companies—will likely adversely affect consumers’ creditworthiness.

2 83. Therefore, Defendants’ acts or practices as described in Paragraph 82 violate Section
3 310.3(a)(1)(viii)(C) of the TSR, 16 C.F.R. § 310.3(a)(1)(viii)(C).

4
5 **Count V**
6 **Advance Fees for Debt Relief Services**

7 84. In numerous instances, in connection with the telemarketing of debt relief services,
8 Defendants have requested or received payment of a fee or consideration for debt
9 relief services when:

- 10 a. Defendants have not renegotiated, settled, reduced, or otherwise altered the terms
11 of at least one debt pursuant to a settlement agreement, debt management plan, or
12 other such valid contractual agreement executed by the customer; and
13
14 b. The customer has not made at least one payment pursuant to that settlement
15 agreement, debt management plan, or other valid contractual agreement between
16 the customer and the creditor; and
17
18 c. The fee (i) does not bear the same proportional relationship to the total fee for
19 renegotiating, settling, reducing, or altering the terms of the entire debt balance as
20 the individual debt amount bears to the entire debt amount, and/or (ii) is not a
21 percentage of the amount saved as a result of the renegotiation, settlement,
22 reduction, or alteration.

23
24 85. Therefore, Defendants’ acts or practices as described in Paragraph 84 violate Section
25 310.4(a)(5)(i) of the TSR, 16 C.F.R. § 310.4(a)(5)(i).

Count VI
Failure to Transmit Identification Information

86. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have initiated, or have caused others to initiate, outbound telephone calls that fail to transmit the telephone number and name of the telemarketer or seller to any caller identification service in use by a recipient of a telemarketing call.

87. Therefore, Defendants' acts or practices as described in Paragraph 86 violate Section 310.4(a)(8) of the TSR, 16 C.F.R. § 310.4(a)(8).

Count VII
Use of Remotely Created Checks

88. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have created or caused to be created, directly or indirectly, a remotely created payment order as payment for debt relief services.

89. Therefore, Defendants' acts or practices as described in Paragraph 88 violate Section 310.4(a)(9) of the TSR, 16 C.F.R. § 310.4(a)(9).

Count VIII
Do Not Call Violations

90. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have initiated, or caused others to initiate, an outbound telephone call to a person's telephone number on the National Do Not Call Registry.

91. Therefore, Defendants' acts or practices as described in Paragraph 90 violate Section 310.4(b)(1)(iii)(B) of the TSR, 16 C.F.R. § 310.4(b)(1)(iii)(B).

Count IX
Failure to Pay Fee to Access National Do Not Call Registry

92. In numerous instances, in connection with the telemarketing of debt relief services, Defendants have initiated, or have caused others to initiate, outbound telephone calls to persons within a given area code without having paid, directly or through another person, the annual fee required by Section 310.8(c) of the TSR for access to telephone numbers within that area code that are included in the Registry.

93. Therefore, Defendants' acts or practices as described in Paragraph 92 violate Section 310.8(a) and (b) of the TSR, 16 C.F.R. § 310.8(a) and (b).

**VIOLATIONS OF THE TRADE REGULATION RULE ON IMPERSONATION
OF GOVERNMENT AND BUSINESSES**

94. The Impersonation Rule, promulgated by the FTC under Section 18 of the FTC Act, 15 U.S.C. § 57a, became effective on April 1, 2024, and remains in full force and effect. The Impersonation Rule is codified at 16 C.F.R. Part 461.

95. Section 461.2(a) of the Impersonation Rule prohibits "materially and falsely pos[ing] as, directly or by implication, a government entity or officer thereof, in or affecting commerce as commerce is defined in the Federal Trade Commission Act (15 U.S.C. [§] 44)."

96. Section 461.3(a) of the Impersonation Rule prohibits "materially and falsely pos[ing] as, directly or by implication, a business or officer thereof, in or affecting commerce as commerce is defined in the Federal Trade Commission Act (15 U.S.C. [§] 44)."

97. The Impersonation Rule defines "materially" to mean "likely to affect a person's choice of, or conduct regarding, goods or services." 16 C.F.R. § 461.1. The

1 Impersonation Rule defines “government” to include “federal, state, local, and tribal
2 governments as well as agencies and departments thereof.” *Id.* The Impersonation
3 Rule defines “business” to include “a corporation, partnership, association, or any
4 other entity that provides goods or services, including not-for-profit entities.” *Id.*

5
6 98. Pursuant to Section 18(d)(3) of the FTC Act, 15 U.S.C. § 57a(d)(3), a violation of the
7 Impersonation Rule constitutes an unfair or deceptive act or practice in or affecting
8 commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a). Section
9 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may
10 commence a civil action against “any person, partnership, or corporation” who
11 “violates any rule . . . respecting unfair or deceptive acts or practices.” Section 19(b)
12 of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under
13 Section 19(a)(1), the court “shall have jurisdiction to grant such relief as the court
14 finds necessary to redress injury to consumers, including but not limited to rescission
15 or reformation of contracts, the refund of money or return of property.”
16
17

18 **Count X**
19 **Falsely Posing as the Government**

20 99. In numerous instances on or after April 1, 2024, in connection with the advertising,
21 marketing, promotion, offering for sale, or sale of debt relief services, Defendants
22 have materially and falsely posed as, directly or by implication, a government entity,
23 including specifically the Social Security Administration and the Consumer Financial
24 Protection Bureau.
25
26
27

1 100. Therefore, Defendants' representations as described in Paragraph 99 violate
2 Section 461.2(a) of the Impersonation Rule, 16 C.F.R. § 461.2(a).

3 **Count XI**
4 **Falsely Posing as a Business**

5 101. In numerous instances on or after April 1, 2024, in connection with the
6 advertising, marketing, promotion, offering for sale, or sale of debt relief services,
7 Defendants have materially and falsely posed as, directly or by implication, a
8 business, including specifically consumers' credit card issuing banks and/or consumer
9 reporting agencies such as Experian.
10

11 102. Therefore, Defendants' representations as described in Paragraph 101 violate
12 Section 461.3(a) of the Impersonation Rule, 16 C.F.R. § 461.3(a).
13

14 **VIOLATIONS OF THE FCRA**

15 103. The FCRA was enacted in 1970, became effective on April 25, 1971, and has been
16 in force since that date. The Fair and Accurate Credit Transactions Act ("FACT
17 Act") amended the FCRA in December 2003, and the Dodd-Frank Act amended the
18 FCRA in July 2010.
19

20 104. Section 603(d) of the FCRA, 15 U.S.C. § 1681a(d), defines a "consumer report"
21 as: "any written, oral, or other communication of any information by a consumer
22 reporting agency bearing on a consumer's creditworthiness, credit standing, credit
23 capacity, character, general reputation, personal characteristics, or mode of living
24 which is used or expected to be used or collected in whole or in part for the purpose of
25 serving as a factor in establishing the consumer's eligibility for (A) credit or insurance
26
27

1 to be used primarily for personal, family, or household purposes; (B) employment
2 purposes; or (C) any other purpose authorized under Section 604.”

3 105. Section 604(f)(1) of the FCRA, 15 U.S.C. § 1681b(f)(1), prohibits persons from
4 using or obtaining a consumer report for any purpose unless it is for a purpose
5 authorized under Section 604. The circumstances enumerated in Section 604 are
6 referred to as the “permissible purposes” of consumer reports. Permissible purposes
7 include, among others, obtaining a consumer report “[i]n accordance with the written
8 instructions of the consumer to whom [the consumer report] relates,” 15 U.S.C.
9 § 1681b(a)(2), and “in connection with a credit transaction involving the consumer on
10 whom the information is to be furnished and involving the extension of credit to, or
11 review or collection of an account of, the consumer.” 15 U.S.C. § 1681b(a)(3)(A).

12 106. Section 621 of the FCRA provides that, for the purpose of the exercise by the FTC
13 of its functions and powers under the FTC Act, a violation of any requirement or
14 prohibition imposed under the FCRA shall constitute an unfair or deceptive act or
15 practice in commerce, in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).
16 15 U.S.C. § 1681s(a).

17 107. Section 621 of the FCRA, 15 U.S.C. § 1681s, authorizes the FTC to use all of its
18 functions and powers under the FTC Act to enforce compliance with the FCRA by all
19 persons subject thereto except to the extent that enforcement specifically is committed
20 to some other governmental agency under subparagraphs (A) through (G) of 15
21 U.S.C. § 1681s(b)(1), irrespective of whether the person is engaged in commerce or
22 meets any other jurisdictional tests set forth by the FTC Act.
23
24
25
26
27

1 108. Enforcement of the FCRA with respect to Defendants is not specifically
2 committed to some other governmental agency under subparagraphs (A) through (G)
3 of 15 U.S.C. § 1681s(b)(1).

4 **Count XII**
5 **Using Credit Reports without a Permissible Purpose**

6 109. In numerous instances in connection with the advertising, marketing, promotion,
7 offering for sale, or sale of debt relief services, Defendants have used or obtained
8 consumer reports without a purpose for which the consumer reports are authorized to
9 be furnished under Section 604 of the FCRA.

10
11 110. Therefore, Defendants' acts and practices as described in Paragraph 109 violate
12 Section 604(f)(1) of the FCRA, 15 U.S.C. § 1681b(f)(1), and constitute unfair or
13 deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C.
14 § 45(a).

15
16 **VIOLATIONS OF THE GLB ACT**

17 111. Section 521 of the GLB Act, 15 U.S.C. § 6821, became effective on November 12,
18 1999, and remains in full force and effect. Section 521(a) of the GLB Act, 15 U.S.C.
19 § 6821(a), prohibits any person from "obtain[ing] or attempt[ing] to obtain . . .
20 customer information of a financial institution relating to another person—(1) by
21 making a false, fictitious, or fraudulent statement or representation to an officer,
22 employee, or agent of a financial institution; [or] (2) by making a false, fictitious, or
23 fraudulent statement or representation to a customer of a financial institution."
24
25
26
27

1 112. The GLB Act defines “customer” to mean “with respect to a financial institution,
2 any person (or authorized representative of a person) to whom the financial institution
3 provides a product or service, including that of acting as a fiduciary.” 15 U.S.C.
4 § 6827(1). The GLB Act defines “customer information of a financial institution” as
5 “any information maintained by or for a financial institution which is derived from the
6 relationship between the financial institution and a customer of a financial institution
7 and is identified with the customer.” 15 U.S.C. § 6827(2). The GLB Act defines
8 “financial institution” to include “any institution engaged in the business of providing
9 financial services to customers who maintain a credit, deposit, trust, or other financial
10 account or relationship with the institution.” 15 U.S.C. § 6827(4)(A).

13 113. Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), empowers the FTC to
14 enforce Section 521 of the GLB Act “in the same manner and with the same power
15 and authority as the [FTC] has under the Fair Debt Collection Practices Act
16 [FDCPA] . . . to enforce compliance with such Act.” Pursuant to Section 814(a) of
17 the FDCPA, 15 U.S.C. § 1692l(a), a violation of the FDCPA is deemed an unfair or
18 deceptive act or practice in violation of the FTC Act. Section 814(a) of the FDCPA
19 further provides that all of the functions and powers of the FTC under the FTC Act
20 are available to the FTC to enforce compliance by any person with the FDCPA,
21 including the powers to the enforce provisions of the FDCPA in the same manner as if
22 the violation had been a violation of an FTC trade regulation rule. Section 19 of the
23 FTC Act, 15 U.S.C. § 57b, authorizes this Court to grant such relief as the Court finds
24 necessary to redress injury to consumers resulting from Defendants’ violations of the
25
26
27

1 GLB Act, including but not limited to the rescission or reformation of contracts, and
2 the refund of money or return of property.

3 **Count XIII**

4 **Use of False Statements to Obtain Customer Information**

5 114. In numerous instances in connection with the advertising, marketing, promotion,
6 offering for sale, or sale of debt relief services, Defendants make false, fictitious, or
7 fraudulent statements or representations to customers of financial institutions to obtain
8 or attempt to obtain customer information of a financial institution of those customers,
9 such as bank account numbers and routing numbers, including by representing,
10 directly or indirectly, expressly or by implication, that:

- 11
- 12 a. Defendants' debt relief services will reduce consumer debts substantially;
- 13
- 14 b. The upfront fee that Defendants charge to consumers' credit cards is part of the
- 15 overall debt that Defendants will reduce, and therefore consumers will not actually
- 16 have to pay this fee;
- 17
- 18 c. Any negative effect on consumers' credit scores is temporary, and consumers'
- 19 credit scores will improve or return to normal after the completion of Defendants'
- 20 services;
- 21
- 22 d. Defendants are or are affiliated with consumers' banks or credit card issuers;
- 23
- 24 e. Defendants are or are affiliated with the federal government, including specifically
- 25 the Social Security Administration and the Consumer Financial Protection Bureau;
- 26 and/or
- 27

1 f. Defendants are or are affiliated with consumer reporting agencies, including
2 specifically Experian.

3 115. Therefore, Defendants' acts and practices as described in Paragraph 114 violate
4 Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a).
5

6 **CONSUMER INJURY**

7 116. Consumers are suffering, have suffered, and will continue to suffer substantial
8 injury as a result of Defendants' violations of the FTC Act, the TSR, the
9 Impersonation Rule, the FCRA, and the GLB Act. Absent injunctive relief by this
10 Court, Defendants are likely to continue to injure consumers and harm the public
11 interest.
12

13 **PRAYER FOR RELIEF**

14 Wherefore, Plaintiff requests that the Court:

15 A. Enter a permanent injunction to prevent future violations of the FTC Act,
16 the TSR, the Impersonation Rule, the FCRA, and the GLB Act;
17

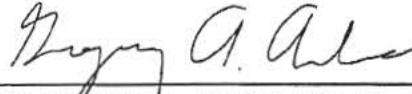
18 B. Grant preliminary injunctive and ancillary relief as may be necessary to
19 avert the likelihood of consumer injury during the pendency of this action and to preserve
20 the possibility of effective final relief, including temporary and preliminary injunctions,
21 an order freezing assets, immediate access to Corporate Defendants' premises, and
22 appointment of a receiver;
23

24 C. Award monetary and other relief within the Court's power to grant,
25 including the rescission or reformation of contracts, the refund of money, or other relief
26 necessary to redress injury to consumers; and
27

1 D. Award any additional relief as the Court determines to be just and proper.

2 Dated: July 14, 2025

Respectfully submitted,

3 

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