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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

FEDERAL TRADE COMMISSION,

Plaintiff,

v.

MCDONNELL & ASSOCIATES LLC, a limited liability company, also d/b/a First Capital Group, Maxwell & Bryant

CASE NO. 8:26-cv-03224-MRA-KESx

COMPLAINT FOR PERMANENT INJUNCTION, MONETARY JUDGMENT, AND OTHER RELIEF

Group, and Lewis, McDonnell & Associates;

OSCAR GERARDO GONZALEZ MARTIN, aka Oscar Gonzalez and Oscar Jerry Gonzalez, individually and as an officer of MCDONNELL & ASSOCIATES LLC; and

OSCAR RUIZ CANELA, aka Oscar Ruiz and Oscar I. Ruiz, individually and as an officer of MCDONNELL & ASSOCIATES LLC,

Defendants.

FILED UNDER SEAL

Plaintiff, the Federal Trade Commission ("FTC"), for its Complaint alleges:

1. The FTC brings this action for Defendants' violations of Section 5(a) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. § 45(a), the Fair Debt Collection Practices Act ("FDCPA"), 15 U.S.C. §§ 1692-1692p, and its implementing Regulation F, 12 C.F.R. Part 1006, and Section 521 of the Gramm-Leach-Bliley Act ("GLB Act"), 15 U.S.C. § 6821. Defendants' violations arise from their deceptive and abusive debt collection practices. For these violations, the FTC seeks relief, including a temporary, preliminary, and permanent injunction, monetary relief, and other relief, including an asset freeze, appointment of a receiver, and immediate access to Defendants' business premises, pursuant to Sections 13(b) and 19 of the FTC Act, 15 U.S.C. §§ 53(b) and 57b, Section 814 of the FDCPA, 15 U.S.C. § 1692*l*(a), Section 5581(b)(5)(C)(ii) of the Consumer Financial Protection Act ("CFP Act"), 12 U.S.C. § 5581(b)(5)(C)(ii), and Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a).

SUMMARY OF CASE

2. Defendants operate a nationwide debt collection scheme through which they have deceived and threatened consumers into paying debts that consumers do not actually owe or that Defendants do not have the authority to collect.

3. Defendants' fraudulent scheme includes representing to consumers that (1) they owe some purported amount from an outstanding debt; (2) Defendants are a law firm and have filed a lawsuit against the consumer or plan on imminently filing one, and their wages will be garnished and liens placed on their homes; and (3) to avoid or settle the lawsuit, consumers must pay the purported debt.

4. But Defendants' representations are false. Frequently, consumers do not owe these purported amounts, or Defendants do not have authority to collect on these purported debts. Defendants are not a law firm, nor are they affiliated with law firms; no such lawsuits have been filed; and Defendants have no intention of filing such lawsuits, even if consumers do not pay. Defendants also have no authority to garnish wages or place liens on consumers' properties, and they have not done so for nonpayment.

5. Beyond these misrepresentations, Defendants use abusive debt collection tactics designed to embarrass and intimidate consumers into paying. Defendants threaten to send "documents" to consumers' workplaces and to conduct "workplace verification," and they contact consumers' parents, siblings, and spouses under the false pretense of locating the consumer to serve legal papers.

6. Defendants have collected more than $20 million from consumers through their false and deceptive representations and bogus threats. Thousands of consumers have submitted complaints to the FTC about Defendants' scheme, which remains ongoing.

7. Through this action, the FTC seeks to put an end to Defendants' scheme, freeze their assets, and secure redress for the consumers Defendants have harmed.

JURISDICTION AND VENUE

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

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

PLAINTIFF

10. The FTC is an agency of the United States Government created by the FTC Act, which authorizes the FTC to commence this district court civil action by its own attorneys. 15 U.S.C. §§ 41-58. The FTC enforces Section 5(a) of the FTC Act, 15 U.S.C. § 45(a), which prohibits unfair or deceptive acts or practices in or affecting commerce. The FTC also enforces the FDCPA, 15 U.S.C. §§ 1692-1692p, which prohibits abusive, deceptive, and unfair debt collection practices and imposes duties upon debt collectors. The FTC also enforces the GLB Act, 15 U.S.C. §§ 6821-27, which prohibits any person from obtaining or attempting to obtain customer information of a financial institution relating to another person by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution.

DEFENDANTS

11. **Defendant McDonnell & Associates LLC** ("McDonnell"), also doing business as First Capital Group, Maxwell & Bryant Group, and Lewis, McDonnell & Associates, is a California limited liability company with its principal place of business at 600 City Parkway West, Suite #600, Orange, California 92868. McDonnell transacts or has transacted business in this District and throughout the United States. At all times relevant to this Complaint, acting

alone or in concert with others, McDonnell has engaged in the collection or the attempted collection of debts from consumers throughout the United States.

12. **Defendant Oscar Gerardo Gonzalez Martin**, also known as Oscar Gonzalez and Oscar Jerry Gonzalez ("Gonzalez"), is or was an owner, officer, director, or manager of McDonnell. At all times relevant to this Complaint, acting alone or in concert with others, Gonzalez has formulated, directed, controlled, had the authority to control, or participated in the acts and practices described in this Complaint. Gonzalez resides in this District and, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

13. **Defendant Oscar Ruiz Canela**, also known as Oscar Ruiz and Oscar I. Ruiz ("Ruiz"), is or was owner, officer, director, or manager of McDonnell. Ruiz and Gonzalez are the only owners of McDonnell. At all times relevant to this Complaint, acting alone or in concert with others, Ruiz has formulated, directed, controlled, had the authority to control, or participated in the acts and practices described in this Complaint. Ruiz, in connection with the matters alleged herein, transacts or has transacted business in this District and throughout the United States.

COMMERCE

14. 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' DECEPTIVE AND ABUSIVE DEBT COLLECTION PRACTICES

15. Since at least March 2021, Defendants have engaged in a scheme to defraud consumers into paying debts that consumers do not actually owe or that Defendants do not have authority to collect.

16. Defendants' scheme is predicated on convincing consumers that a lawsuit has been, or will soon be, filed against them and will result in dire consequences unless consumers pay Defendants promptly for alleged debts ranging from hundreds to thousands of dollars. As described in detail below, Defendants pursue this scheme through a multi-step campaign of escalating pressure: leaving deceptive voicemail messages to get consumers to respond, contacting or threatening to contact consumers' family members and employers, and then—when consumers do make contact—making a series of false representations designed to coerce payment, often on debts consumers do not even owe.

Defendants Leave Deceptive Voicemail Messages

17. Defendants generally initiate contact with consumers by placing telephone calls.

18. When unable to reach consumers by phone, Defendants leave voicemail messages. In those voicemail messages, Defendants frequently fail to disclose, as required by Regulation F when not leaving a limited-content message, that the Defendants are a debt collector attempting to collect a debt and that they will use any information consumers provide for that purpose.

19. Rather than making these required disclosures, Defendants frequently use high-pressure tactics to coerce consumers into calling them back. For example, Defendants leave messages using the legal-sounding business name of "Maxwell & Bryant Group" and instructing consumers to call them back regarding an "urgent" matter that requires the consumer's "immediate attention." In at least one instance, Defendants left a voicemail message stating that they were calling "from the *legal department* of Maxwell & Bryant Group." The use of this fictitious legal-sounding name, accompanied by references to a "legal department," is designed to mislead consumers into believing they face imminent legal jeopardy, thereby pressuring them to call Defendants back.

Defendants Illegally Threaten to Contact Employers and Family Members

20. If consumers do not return Defendants' initial voicemails, Defendants escalate their tactics by leaving messages designed to intensify pressure on the consumer. For example, Defendants often leave voicemail messages threatening to contact or send documents to consumers' employers if consumers fail to respond. In at least one instance, Defendants left a voicemail message stating that the consumer's file was "now entering the next phase where additional contact methods may be used including workplace verification if needed." In at least two instances, Defendants have left messages stating that they had "documents scheduled for delivery" to the consumers' places of employment and that the consumers should call them back if they needed to "reschedule." These threats are designed to exploit consumers' fear of embarrassment or professional consequences at their place of employment, coercing them into returning Defendants' calls and, ultimately, paying the fictitious debt.

21. In some instances, Defendants further escalate their pressure campaign by illegally contacting consumers' family members. Defendants have represented to some consumers' family members that they are attempting to reach consumers in connection with a legal matter. For example, in one instance, Defendants called a consumer's parents and then his sister, claiming on both calls that they were attempting to obtain the consumer's contact information to serve him with legal papers. Defendants subsequently called the consumer's wife and told her that legal papers were on their way to the consumer's home, that they would arrive in 30 minutes, and that she needed to be home to open the door.

Defendants Fail to Identify Themselves as Debt Collectors

22. When consumers answer or return Defendants' phone calls, Defendants continue their deceptive conduct by failing to make legally required

disclosures to consumers about their identities, the purpose of their calls to consumers, or the alleged debts.

23. Specifically, Defendants fail to disclose that they are debt collectors, and they do not disclose that the call is coming from a debt collector who is attempting to collect a debt or that any information obtained from the consumer will be used for that purpose.

24. Rather than making these disclosures to consumers, Defendants employ deceptive and abusive tactics during these phone calls to pressure consumers into paying the alleged debts.

Defendants Misrepresent Themselves as a Law Firm

25. Central to this scheme is Defendants' false representation that they are a law firm. Defendants routinely and falsely claim that they work for attorneys or that Defendants are a law firm. Often, Defendants refer to this purported firm as "Maxwell & Bryant Group." Representing that a communication comes from a law firm or an attorney is particularly coercive because it lends false legitimacy to what is, in fact, frequently a fabricated demand for payment, while creating urgent pressure on consumers who reasonably fear that legal proceedings are already underway or just around the corner.

26. In many instances, to further persuade consumers that the purported debts are legitimate, Defendants additionally represent that Maxwell & Bryant Group is attempting to collect the debt on behalf of a client that Defendants identify as "First Capital Group." By invoking the name of a purported client, Defendants create the false appearance of a legitimate, multi-party legal and financial relationship, lending additional credibility to their demands for payment.

27. Both representations are false. Maxwell & Bryant Group is not a law firm, and First Capital Group is not a client of Defendants. Rather, both names are business names registered by Defendant McDonnell.

Defendants Falsely Threaten Legal Consequences if Consumers Do Not Pay Them

28. Beyond misrepresenting their identity, Defendants further pressure consumers by misrepresenting the collection status of the alleged debt and the consequences of failing to pay it. For example, Defendants often tell consumers that they are delinquent on a consumer leasing debt, payday loan, or other debt, and that legal action has been taken or will be taken shortly against them. These false representations about the status of legal proceedings are designed to create a sense of urgency, depriving consumers of the time and clarity needed to assess whether the debt is legitimate or to seek legal advice.

29. In many instances, Defendants threaten that failing to pay the purported debt will lead to garnishment of consumers' wages, placement of liens on consumers' property, and collection of additional fees in the form of thousands of dollars in court costs and attorney fees.

30. Defendants further escalate these threats by falsely accusing consumers of criminal conduct. Defendants sometimes represent that consumers have committed fraud, bank fraud, or wire fraud by failing to pay the alleged debt. For example, in one instance after a consumer questioned how Defendants could collect on a debt that was beyond the statute of limitations, Defendants said they would be initiating legal proceedings against the consumer's wife for fraud, and that the statute of limitations for fraud is ten years.

31. Having created a sense of legal jeopardy through these false representations, Defendants advise consumers that they can settle or avoid the threatened legal action by making an immediate payment by credit or debit card.

32. In fact, in numerous instances where Defendants have threatened consumers with legal action, garnishment of wages, or having a lien placed on a consumer's property, even if the consumer did not pay no such action has been

taken, Defendants did not intend to take any such action, or Defendants did not have authority to take any such action.

Defendants Frequently Collect on Illegitimate or Uncollectible Debts

33. Compounding these abusive debt collection tactics, the debts that Defendants purport to collect are frequently not owed at all, or Defendants have no legal authority to collect them.

34. Defendants have collected or attempted to collect on debts which consumers never owed, had been previously paid off or settled, were beyond the statute of limitations, or were discharged in a bankruptcy filing. For example, Defendants have collected or attempted to collect on payday loan debts supposedly owed to CashNetUSA, a small-dollar lender. Some consumers who contacted CashNetUSA after being called by Defendants, however, were told that CashNetUSA had no record of the alleged debt.

35. In another example, a consumer reported that Defendants attempted to collect on a payday loan even though the consumer was certain she had never taken out such a loan as she has been on a limited, fixed income for over 20 years.

36. In another example, a consumer reported that Defendants, representing themselves as a litigation firm, attempted to collect on a debt she was already paying off to another debt collector through a debt consolidation program.

37. Defendants have also attempted to collect on debts which are not owed by consumers because they were extinguished pursuant to agreements entered into between the original creditors and government enforcement agencies. For example, Defendants have collected or attempted to collect on consumer leasing debts originally owed to Tempoe, LLC, which Tempoe agreed to treat as satisfied as part of a settlement with the Consumer Financial Protection Bureau (CFPB) in 2023.

38. Defendants have nonetheless sought to collect on Tempoe debts. Defendants began reporting thousands of Tempoe debts to a credit reporting agency beginning in 2024 and continuing through 2025—long after the CFPB settlement. In August 2025, Defendants acknowledged to one credit reporting agency that they had received a "significant volume of consumer disputes associated" with the Tempoe debts on which they had been engaged in collection activity. Defendants then requested that the credit reporting agency remove thousands of Tempoe tradelines from consumers' credit reports, including for consumers who had not submitted a dispute.

39. Despite the significant volume of disputes and Defendants' own request that the credit reporting agency delete Tempoe tradelines, Defendants continued to attempt to collect on debts purportedly owed to Tempoe. Subsequently, in September 2025 and March 2026, consumers filed complaints against Defendants with the Better Business Bureau, Mountain West & Pacific Southwest ("BBB") related to their collection of Tempoe debt.

40. These consumer complaints further support that the debts Defendants were attempting to collect were either extinguished under the CFPB settlement or Defendants otherwise lacked authority to collect on them. For example, in a September 2025 BBB complaint, a consumer reported that Defendants threatened to file suit on a debt owed to Tempoe, which the consumer noted had been put out of business. The consumer also explained to the BBB that Tempoe had sent him a refund. Along with his complaint, the consumer provided a screenshot of a portion of the CFPB's press release related to the settlement. The BBB sent the consumer's complaint and the CFPB press release screenshot to Defendants. In response, Defendants stated that "in light of recent regulatory actions and consumer relief measures" they had paused all collection activity on the consumer's account.

41. In a March 2026 BBB complaint, more than six months after Defendants requested removal of the Tempoe debt, a consumer reported that Defendants continued to collect on Tempoe debt. In particular, the consumer reported to the BBB that Defendants had a person with an area code from his home state call and threaten to "stop by [his] house and have [him] sign papers for court." The consumer reported that he subsequently spoke with a female representative who also threatened suit, kept putting him on hold so she could purportedly speak to a lawyer, and got him to pay $500 and setup on a payment plan. He later supplemented his BBB complaint and he identified the debt as relating to Tempoe and reported to the BBB that Tempoe had gone out of business in 2023 and was ordered to release all debts. In response to the consumer's complaint, Defendants refunded his $500 payment.

42. In addition to the foregoing deceptive and abusive practices, Defendants also systematically fail to provide consumers with the written notices to which they are legally entitled in connection with an attempt to collect a debt. Specifically, Defendants fail to provide consumers, within five days after the initial communication, a written notice containing (1) the amount of the debt; (2) the name of the creditor to whom the debt is owed; (3) a statement that unless the consumer disputes the debt, the debt will be assumed valid; (4) a statement that if the consumer disputes the debt in writing, Defendants will obtain verification of the debt; and (5) a statement that, upon the consumer's written request, Defendants will provide the consumer with the name and address of the original creditor, if different from the current creditor. These disclosures exist precisely to protect consumers from the kind of scheme Defendants operate; by withholding them, Defendants ensure that consumers remain unaware of their right to demand proof that the debt exists, that the amount is accurate, and that Defendants have authority to collect it.

43. As a result of Defendants' false threats and deceptive representations, many consumers pay the alleged debts that Defendants purport to be collecting. Generally, consumers make these payments using a credit card, debit card, electronic transfer from their bank account, or by sending checks through the mail.

44. Since at least March 2021, Defendants have collected over $20 million from consumers through this unlawful debt collection scheme, which remains ongoing.

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

VIOLATIONS OF THE FTC ACT

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

47. Misrepresentations or deceptive omissions of material fact constitute deceptive acts or practices prohibited by Section 5(a) of the FTC Act.

COUNT I

False or Unsubstantiated Representations That Consumers Owe Debt

48. In numerous instances in connection with the collection of alleged debts, Defendants represent, directly or indirectly, expressly or by implication, that:

a) The consumer is delinquent on a debt that Defendants have the authority to collect; or

b) The consumer has a legal obligation to pay Defendants.

49. Defendants' representations as described in Paragraph 48 are false or misleading or were not substantiated at the time the representations were made.

50. Therefore, Defendants' representations as described in Paragraph 48 constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

COUNT II

False or Misleading Representations Regarding Legal Action

51. In numerous instances in connection with the collection of alleged debts, Defendants represent, directly or indirectly, expressly or by implication, that:

a) Defendants are attorneys or affiliated with attorneys, or are a law firm or affiliated with a law firm;

b) The consumer's wages will be garnished, or liens will be placed on their property, for failing to pay Defendants; or

c) Defendants have taken, intend to take, or have authority to take formal legal action against a consumer who fails to pay, such as by filing suit.

52. In fact, in numerous instances in which Defendants have made the representations described in Paragraph 51:

a) Defendants are not attorneys or affiliated with attorneys, and Defendants are not a law firm or affiliated with a law firm;

b) The consumer's wages will not be garnished, nor will liens be placed on their property, for failing to pay Defendants; and

c) Defendants have not taken, do not intend to take, or do not have authority to take formal legal action against a consumer who fails to pay, such as by filing suit.

53. Therefore, Defendants' representations as described in Paragraph 51 are false or misleading and constitute deceptive acts and practices in violation of Section 5(a) of the FTC Act, 15 U.S.C. § 45(a).

VIOLATIONS OF THE FDCPA AND REGULATION F

54. In 1977, Congress passed the FDCPA, 15 U.S.C. §§ 1692-1692p, which became effective on March 20, 1978, and has been in force since that date. The purpose of the FDCPA, according to Congress, is "to eliminate abusive debt collection practices by debt collectors, to ensure that those debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and to promote consistent State action to protect consumers against debt collection abuses." 15 U.S.C. § 1692(e).

55. The Consumer Financial Protection Bureau ("CFPB") promulgated Regulation F, 12 C.F.R. Part 1006, pursuant to Sections 814(d) and 817 of the FDCPA, 15 U.S.C. §§ 1692*l*(d) and 1692o, and Sections 5512, 5514(b), and 5532 of the CFP Act, 12 U.S.C. §§ 5512, 5514(b), and 5532, which became effective on November 30, 2021, and has been in force since that date. The purpose of Regulation F is to "carr[y] out the purposes of the FDCPA, which include eliminating abusive debt collection practices by debt collectors, ensuring that debt collectors who refrain from using abusive debt collection practices are not competitively disadvantaged, and promoting consistent State action to protect consumers against debt collection abuses." 12 C.F.R. § 1006.1(b).

56. Section 803(3) of the FDCPA, 15 U.S.C. § 1692a(3), defines "consumer" to mean "any natural person obligated or allegedly obligated to pay any debt." Section 1006.2(e) of Regulation F, 12 C.F.R. § 1006.2(e), similarly defines "consumer" to mean "any natural person, whether living or deceased, obligated or allegedly obligated to pay any debt."

57. Section 803(5) of the FDCPA, 15 U.S.C. § 1692a(5), and Section 1006.2(h) of Regulation F, 12 C.F.R. § 1006.2(h), define "debt" to mean "any obligation or alleged obligation of a consumer to pay money arising out of a transaction in which the money, property, insurance, or services which are the

subject of the transaction are primarily for personal, family, or household purposes, whether or not such obligation has been reduced to judgment."

58. Section 803(6) of the FDCPA, 15 U.S.C. § 1692a(6), and Section 1006.2(i)(1) of Regulation F, 12 C.F.R. § 1006.2(i)(1), define "debt collector" to mean "any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the collection of any debts, or who regularly collects or attempts to collect, directly or indirectly, debts owed or due or asserted to be owed or due another. Notwithstanding the exclusion provided by clause (F) of the last sentence of this paragraph, the term includes any creditor who, in the process of collecting his own debts, uses any name other than his own which would indicate that a third person is collecting or attempting to collect such debts. For the purpose of section 1692f(6) of this title, such term also includes any person who uses any instrumentality of interstate commerce or the mails in any business the principal purpose of which is the enforcement of security interests. The term does not include—(A) any officer or employee of a creditor while, in the name of the creditor, collecting debts for such creditor; (B) any person while acting as a debt collector for another person, both of whom are related by common ownership or affiliated by corporate control, if the person acting as a debt collector does so only for persons to whom it is so related or affiliated and if the principal business of such person is not the collection of debts; (C) any officer or employee of the United States or any State to the extent that collecting or attempting to collect any debt is in the performance of his official duties; (D) any person while serving or attempting to serve legal process on any other person in connection with the judicial enforcement of any debt; (E) any nonprofit organization which, at the request of consumers, performs bona fide consumer credit counseling and assists consumers in the liquidation of their debts by receiving payments from such consumers and distributing such amounts to

creditors; and (F) any person collecting or attempting to collect any debt owed or due or asserted to be owed or due another to the extent such activity (i) is incidental to a bona fide fiduciary obligation or a bona fide escrow arrangement; (ii) concerns a debt which was originated by such person; (iii) concerns a debt which was not in default at the time it was obtained by such person; or (iv) concerns a debt obtained by such person as a secured party in a commercial credit transaction involving the creditor."

59. Defendants are "debt collectors" collecting "debts" from "consumers."

60. Section 807 of the FDCPA, 15 U.S.C. § 1692e, and Section 1006.18(a) of Regulation F, 12 C.F.R. § 1006.18(a), prohibit debt collectors from "us[ing] any false, deceptive, or misleading representation or means in connection with the collection of any debt." Without limiting the general application of the foregoing, the following conduct is a violation of Section 807 of the FDCPA and Section 1006.18(a) of Regulation F: (1) the false representation of the character, amount, or legal status of any debt, 15 U.S.C. § 1692e(2)(A) and 12 C.F.R. 1006.18(b)(2)(i); (2) the false representation or implication that any individual is an attorney or that any communication is from an attorney, 15 U.S.C. § 1692e(3) and 12 C.F.R. 1006.18(b)(1)(iii); (3) the representation or implication that nonpayment of any debt will result in the arrest or imprisonment of any person or the seizure, garnishment, attachment, or sale of any property or wages of any person unless such action is lawful and the debt collector or creditor intends to take such action, 15 U.S.C. § 1692e(4) and 12 C.F.R. § 1006.18(b)(3); (4) the threat to take any action that cannot legally be taken or that is not intended to be taken, 15 U.S.C. § 1692e(5) and 12 C.F.R. § 1006.18(c)(1); (5) the use of any false representation or deceptive means to collect or attempt to collect any debt or to obtain information concerning a consumer, 15 U.S.C. § 1692e(10) and 12 C.F.R.

§ 1006.18(d); and (6) the failure to disclose in the initial written communication with the consumer and, in addition, if the initial communication with the consumer is oral, in that initial oral communication, that the debt collector is attempting to collect a debt and that any information obtained will be used for that purpose, and the failure to disclose in subsequent communications that the communication is from a debt collector, except that this paragraph shall not apply to a formal pleading made in connection with a legal action, 15 U.S.C. § 1692e(11) and 12 C.F.R. § 1006.18(e)(1).

61. Section 809 of the FDCPA, 15 U.S.C. § 1692g, and Section 1006.34 of Regulation F, 12 C.F.R. § 1006.34, require that, within five days after the initial communication with a consumer in connection with the collection of any debt, a debt collector shall, unless the following information is contained in the initial communication or the consumer has paid the debt, send the consumer a written notice containing: (1) the amount of the debt; (2) the name of the creditor to whom the debt is owed; (3) a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by the debt collector; (4) a statement that if the consumer notifies the debt collector in writing within the thirty-day period that the debt, or any portion thereof, is disputed, the debt collector will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by the debt collector; and (5) a statement that, upon the consumer's written request within the thirty-day period, the debt collector will provide the consumer with the name and address of the original creditor, if different from the current creditor.

62. Pursuant to Section 814(a) of the FDCPA, 15 U.S.C. § 1692*l*(a), a violation of the FDCPA is deemed an unfair or deceptive act or practice in violation of the FTC Act. Section 814(a) of the FDCPA further provides that all of

the functions and powers of the FTC under the FTC Act are available to the FTC to enforce compliance by any person with the FDCPA, including the power to enforce the provisions of the FDCPA in the same manner as if the violation had been a violation of an FTC trade regulation rule.

63. Pursuant to Section 5581(b)(5)(C)(ii) of the CFP Act, 12 U.S.C. § 5581(b)(5)(C)(ii), the FTC has the authority to enforce under the FTC Act any rule prescribed by the CFPB with respect to a covered person subject to the jurisdiction of the FTC under the FTC Act, and a violation of such a rule by such a person "shall be treated as a violation of a rule issued under section 18 of [the FTC Act] with respect to unfair or deceptive acts or practices."

64. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may commence a civil action against "any person, partnership, or corporation" who "violates any rule . . . respecting unfair or deceptive acts or practices." Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court "shall have jurisdiction to grant such relief as the court finds necessary to redress injury to consumers . . . Such relief may include, but shall not be limited to, rescission or reformation of contracts, [and] the refund of money or return of property . . . ."

COUNT III

False or Misleading Representations – False Claims as to Nature of Debt

65. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including falsely representing the character, amount, or legal status of any debt.

66. Therefore, Defendants' acts or practices as set forth in Paragraph 65 violate Section 807(2)(A) of the FDCPA, 15 U.S.C. § 1692e(2)(A), and Section 1006.18(b)(2)(i) of Regulation F, 12 C.F.R. § 1006.18(b)(2)(i).

COUNT IV

False or Misleading Representations – False Claims as to Attorney Representation

67. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including falsely representing or implying that any individual representative is an attorney or that any communication is from an attorney.

68. Therefore, Defendants' acts or practices as set forth in Paragraph 67 violate Section 807(3) of the FDCPA, 15 U.S.C. § 1692e(3), and Section 1006.18(b)(1)(iii) of Regulation F, 12 C.F.R. § 1006.18(b)(1)(iii).

COUNT V

False or Misleading Representations – False Claims as to Wage Garnishment or Liens on Property

69. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including falsely representing or implying that nonpayment of a debt will result in wage garnishment, or a lien on a person's property, when such action is not lawful or when the Defendants have no intention of taking such action.

70. Therefore, Defendants' acts or practices as set forth in Paragraph 69 violate Section 807(4) of the FDCPA, 15 U.S.C. § 1692e(4), and Section 1006.18(b)(3) of Regulation F, 12 C.F.R. § 1006.18(b)(3).

COUNT VI

False or Misleading Representations – False Claims as to Legal Action

71. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including threatening to take action that is not lawful or the Defendants do not intend to take, such as filing a lawsuit.

72. Therefore, Defendants' acts or practices as set forth in Paragraph 71 violate Section 807(5) of the FDCPA, 15 U.S.C. § 1692e(5), and Section 1006.18(c)(1) of Regulation F, 12 C.F.R. § 1006.18(c)(1).

COUNT VII

False or Misleading Representations – Using False Representations

73. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including using false representations or deceptive means to collect or attempt to collect a debt or to obtain information concerning a consumer.

74. Therefore, Defendants' acts or practices as set forth in Paragraph 73 violate Section 807(10) of the FDCPA, 15 U.S.C. § 1692e(10), and Section 1006.18(d) of Regulation F, 12 C.F.R. § 1006.18(d).

COUNT VIII

False or Misleading Representations – Failure to Provide Required Disclosures

75. In numerous instances, in connection with the collection of alleged debts, Defendants have used false, deceptive, or misleading representations or means, including failing to disclose (1) in the initial oral communication with consumers that Defendants are debt collectors attempting to collect a debt and that any information obtained by Defendants from consumers will be used for the purpose of attempting to collect a debt and (2) in subsequent communications with consumers that Defendants are debt collectors.

76. Therefore, Defendants' acts or practices as set forth in Paragraph 75 violate Section 807(11) of the FDCPA, 15 U.S.C. § 1692e(11), and Section 1006.18(e) of Regulation F, 12 C.F.R. § 1006.18(e)(1), (2).

COUNT IX

Failure to Provide a Validation Notice

77. In numerous instances, in connection with the collection of alleged debts, Defendants have failed to send consumers, within five days after the initial communication with consumers, a written notice containing (1) the amount of the debt; (2) the name of the creditor to whom the debt is owed; (3) a statement that unless the consumer, within thirty days after receipt of the notice, disputes the validity of the debt, or any portion thereof, the debt will be assumed to be valid by Defendants; (4) a statement that if the consumer notifies Defendants in writing within the thirty-day period that the debt, or any portion thereof, is disputed, Defendants will obtain verification of the debt or a copy of a judgment against the consumer and a copy of such verification or judgment will be mailed to the consumer by Defendants; and (5) a statement that, upon the consumer's written request within the thirty-day period, Defendants will provide the consumer with the name and address of the original creditor, if different from the current creditor.

78. Therefore, Defendants' acts or practices as set forth in Paragraph 77 violate Section 809(a) of the FDCPA, 15 U.S.C. § 1692g(a), and Section 1006.34 of Regulation F, 12 C.F.R. § 1006.34.

VIOLATIONS OF THE GRAMM-LEACH-BLILEY ACT

79. Section 521 of the GLB Act, 15 U.S.C. § 6821, became effective on November 12, 1999, and remains in full force and effect. Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a), prohibits any person from "obtain[ing] or attempt[ing] to obtain . . . customer information of a financial institution relating to another person . . . by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution."

80. The GLB Act defines "customer" to mean "with respect to a financial institution, any person (or authorized representative of a person) to whom the

financial institution provides a product or service, including that of acting as a fiduciary." 15 U.S.C. § 6827(1).

81. The GLB Act defines "customer information of a financial institution" as "any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer." 15 U.S.C. § 6827(2).

82. The GLB Act defines "financial institution" to include "any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution." 15 U.S.C. § 6827(4)(A).

83. Section 522(a) of the GLB Act, 15 U.S.C. § 6822(a), empowers the FTC to enforce Section 521 of the GLB Act "in the same manner and with the same power and authority as the [FTC] has under the Fair Debt Collection Practices Act [FDCPA] . . . to enforce compliance with such Act." Pursuant to Section 814(a) of the FDCPA, 15 U.S.C. § 1692*l*(a), a violation of the FDCPA is deemed an unfair or deceptive act or practice in violation of the FTC Act. Section 814(a) of the FDCPA further provides that all of the functions and powers of the FTC under the FTC Act are available to the FTC to enforce compliance by any person with the FDCPA, including the power to enforce provisions of the FDCPA in the same manner as if the violation had been a violation of an FTC trade regulation rule. Section 19(a)(1) of the FTC Act, 15 U.S.C. § 57b(a)(1), provides that the FTC may commence a civil action against "any person, partnership, or corporation" who "violates any rule . . . respecting unfair or deceptive acts or practices." Section 19(b) of the FTC Act, 15 U.S.C. § 57b(b), provides that in any action commenced under Section 19(a)(1), the court "shall have jurisdiction to grant such relief as the court finds necessary to redress injury to consumers . . .

Such relief may include, but shall not be limited to, rescission or reformation of contracts, [and] the refund of money or return of property . . . ."

Count X

Use of False, Fictitious, or Fraudulent Statements to Obtain or Attempt to Obtain Customer Information of a Financial Institution

84. In numerous instances in connection with the collection of alleged debts, Defendants have made false, fictitious, or fraudulent statements or representations to customers of financial institutions to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution, such as credit or debit card numbers and bank account numbers, including by representing, directly or indirectly, expressly or by implication, that:

a) The consumer is delinquent on a debt that Defendants have the authority to collect;

b) The consumer has a legal obligation to pay Defendants;

c) Defendants are attorneys or affiliated with attorneys, or are a law firm or affiliated with a law firm;

d) The consumer's wages will be garnished, or liens will be placed on their property, for failing to pay Defendants; or

e) Defendants have taken, intend to take, or have authority to take formal legal action against a consumer who fails to pay, such as by filing suit.

85. Therefore, Defendants' acts and practices as set forth in Paragraph 84 violate Section 521(a) of the GLB Act, 15 U.S.C. § 6821(a).

CONSUMER INJURY

86. Consumers are suffering, have suffered, and will continue to suffer substantial injury as a result of Defendants' violations of the FTC Act, the FDCPA,

Regulation F, and the GLB Act. Absent injunctive relief by this Court, Defendants are likely to continue to injure consumers and harm the public interest.

PRAYER FOR RELIEF

Wherefore, Plaintiff requests that the Court:

A. Enter a permanent injunction to prevent future violations of the FTC Act, the FDCPA, Regulation F, and the GLB Act;

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

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

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

Dated: November 2, 2026

Respectfully submitted,

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