

UNITED STATES DISTRICT COURT

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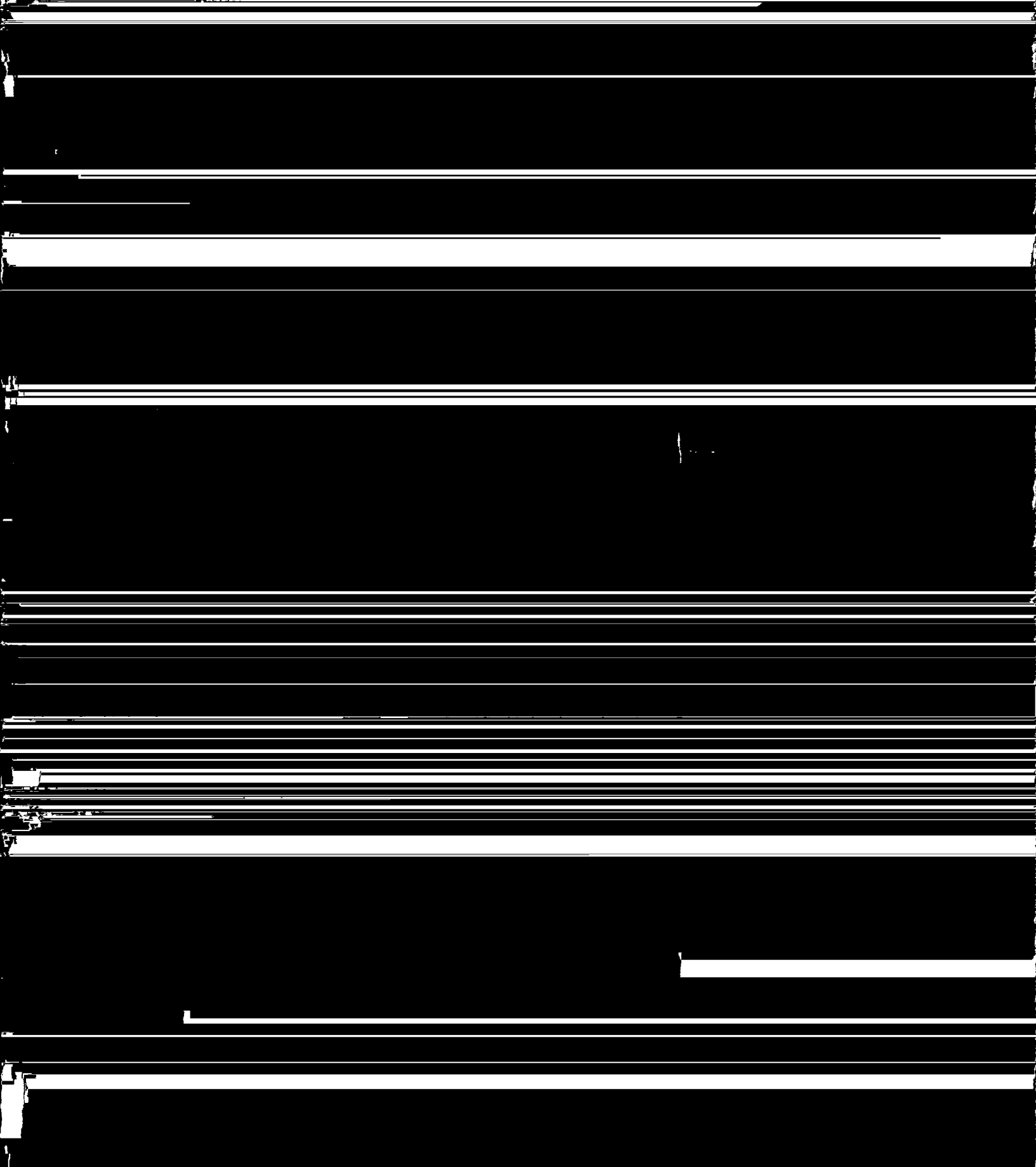
Plaintiff Federal Trade Commission (“FTC” or “Commission”) for its complaint alleges:

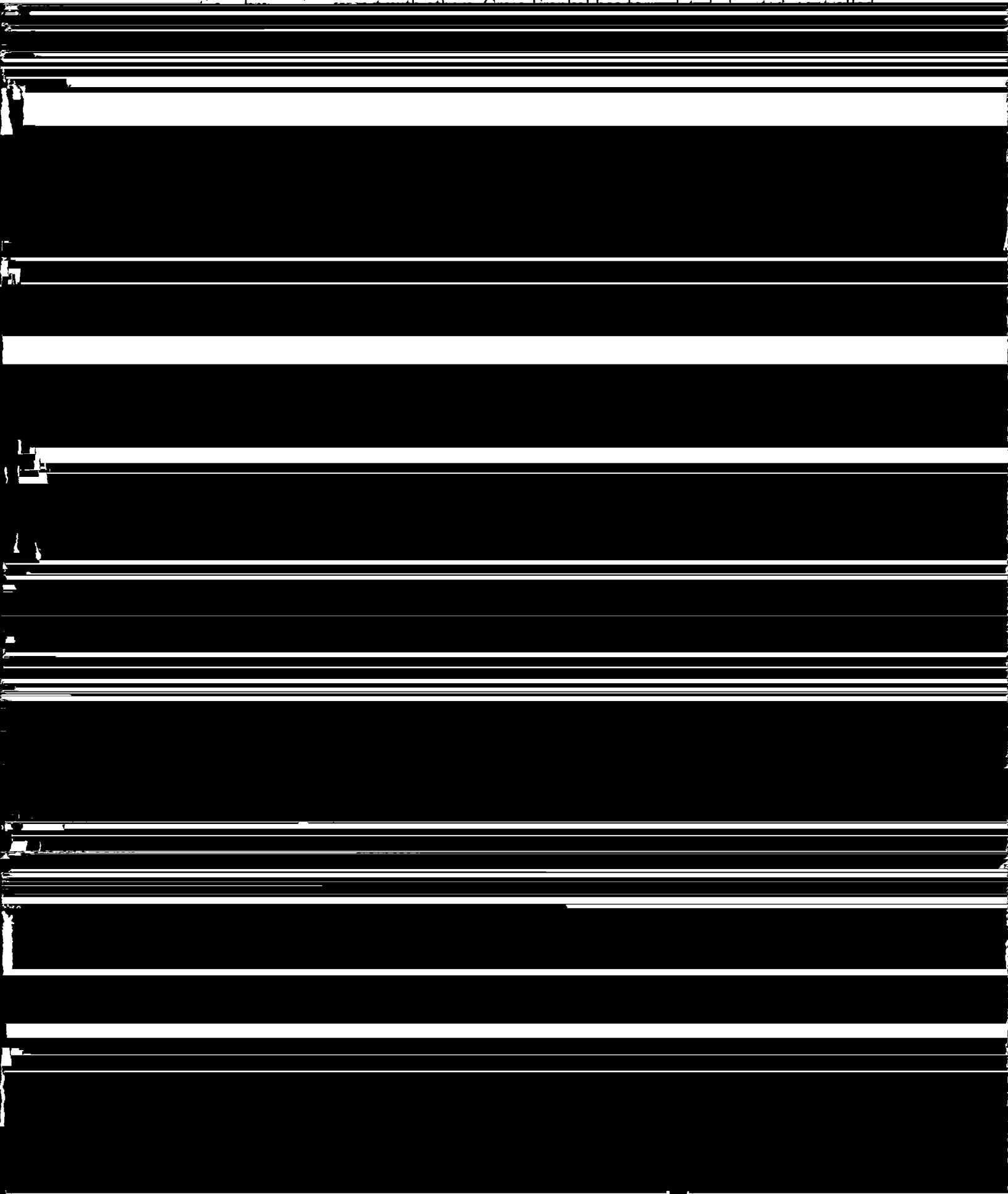
1. The FTC brings this action under Section 13(b) of the Federal Trade Commission Act (“FTC Act”), 15 U.S.C. § 53(b), to obtain preliminary and permanent injunctive relief, rescission of contracts, consumer redress, and other equitable relief for Defendants’ deceptive and unfair acts or practices in violation of Section 5 of the FTC Act, 15 U.S.C. § 45.

JURISDICTION AND VENUE

Texas corporation and its predecessor with a principal place of business located at 6101

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district, to induce the purchase of their goods and services, including the establishment of merchant accounts.

12. Defendants, directly or through their sales agents, have marketed, offered for sale, or sold merchant accounts, and other goods and services, including check conversion processing through the Federal Reserve System's Automated Clearing House ("ACH") Network. The ACH Network is a processing and delivery system for the distribution of electronic credits and debits among financial institutions. Defendants have marketed, offered for sale, or sold these goods and services under the names of Certified Merchant Services,

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15. In numerous instances Defendants have circumvented the Fair Labor Standards Act

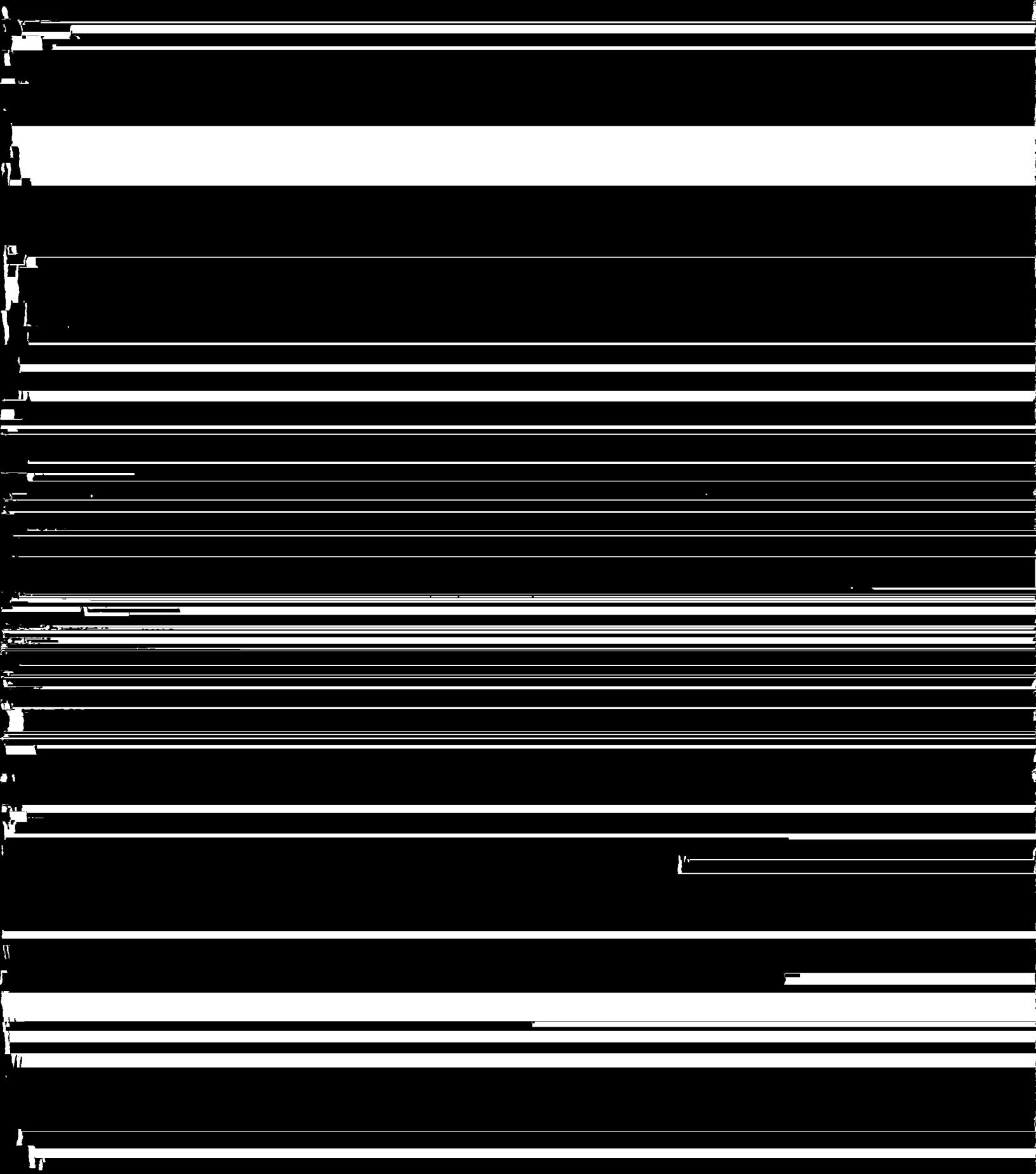
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21. In numerous other instances, Defendants do not provide services in exchange for fees charged to merchants. Defendants do so by debiting merchants' deposit accounts before Defendants have provided the merchants with promised card processing equipment and supplies.

22. ~~When faced with unauthorized debits or fees to which they did not agree, merchants often~~

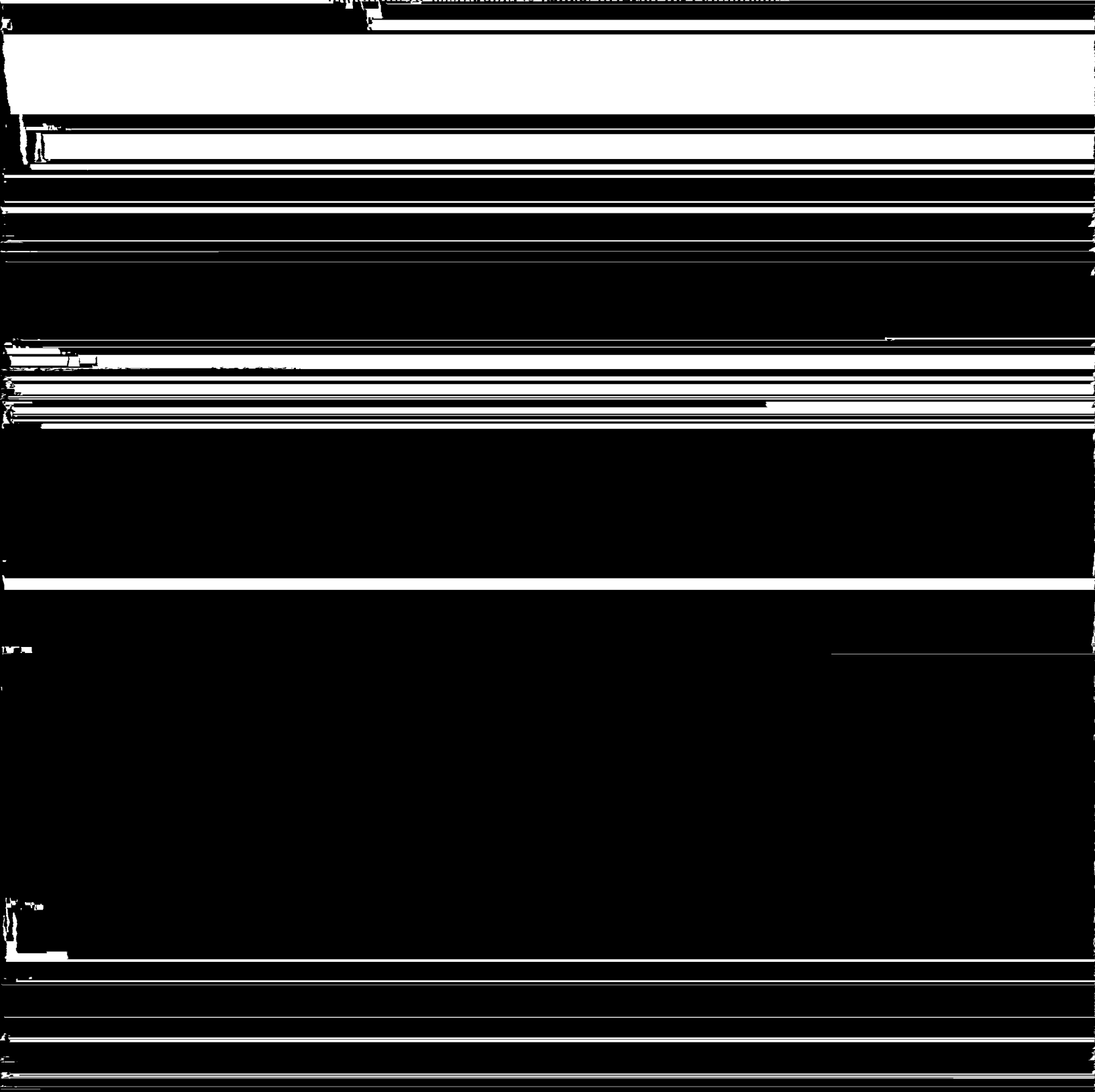
26. In numerous other instances, merchants contact Better Business Bureaus or state

Attorneys General for mediation of their complaints with Defendants. In response to



COUNT II

Unauthorized Debiting

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- B. If merchants are dissatisfied with any services or representations made by Defendants, merchants can cancel or transfer to another card processor at any time with no further obligation;
 - C. There is no monthly minimum fee or expense associated with merchant ~~accounts or associated services offered by Defendants:~~
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37. Therefore, the representations set forth in Paragraph 35 are false and misleading, and constitute deceptive acts or practices in violation of Section 5(a) of the FTC Act. 15

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INJURY

42. Small business merchants throughout the United States have suffered substantial monetary loss as a result of Defendants' unlawful acts or practices. In addition, Defendants have been unjustly enriched as a result of their unlawful practices. Absent relief by this Court, Defendants are likely to continue to injure merchants, reap unjust enrichment, and harm the public interest.

~~THE COURT'S POWER TO GRANT RELIEF~~



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to, rescission of contracts, the refund of monies paid, and the disgorgement of ill-gotten monies; and

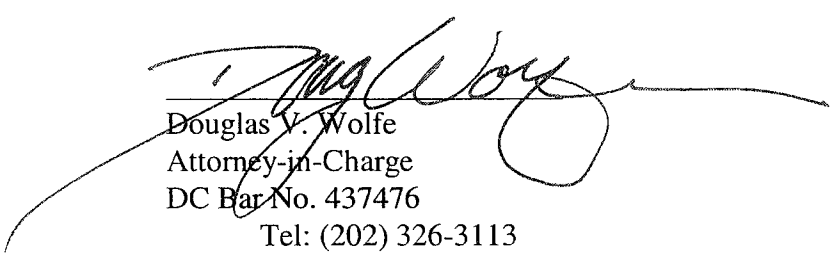
- D. Award Plaintiff the costs of bringing this action, as well as such other and additional equitable relief as the Court may determine to be just and proper.

Date: February 11, 2002

Respectfully Submitted,

~~William F. K...~~

General Counsel


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