

CHRISTOPHER J. CHRISTIE  
United States Attorney  
SUSAN J. STEELE

RECEIVED - CLERK  
U.S. DISTRICT COURT

Newark, New Jersey 07102  
(973) 645-2920  
SJS7042

UNITED STATES DISTRICT COURT  
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA )

Plaintiff, )

v. )

Civil No. )

3. Venue in the United States District Court for the District of New Jersey is proper under 15 U.S.C. § 53(b) and under 28 U.S.C. §§ 1391(b-c) and 1395(a).

**DEFENDANT**

4. Defendant AT&T Corp. (hereinafter referred to as "AT&T") is a New Jersey

corporation with its principal place of business at 295 North Maple Avenue, Basking Ridge, New Jersey. In connection with the matters alleged herein, AT&T has transacted business in this District.

5. At all times material to this Complaint, AT&T has provided local and long

distance telephone service to consumers, as "consumer" is defined in Section 603(c) of the FCRA, 15 U.S.C. § 1681a(c).

"consumer reporting agency," as those terms are defined in Sections 603(d), and 603(f), 15 U.S.C. §§ 1681a(d) and 1681a(f), respectively, of the FCRA.

9. Applicants whom AT&T determines, based on the credit review, are not approved for service are either denied service entirely, required to make an advance payment or deposit to obtain service, or assigned an "Approved Usage Amount" which limits the amount of charges the

specified amount of money up front before obtaining telephone service, that prepaid amount may serve as a deposit which AT&T retains for the life of the consumer's account, or may be applied to the

consumer's balance after she has made a certain number of on-time payments. When AT&T imposes an

"Approved Usage Amount" on the consumer,

11. AT&T has taken "adverse action," as that term is defined in Section 603(k) of the  
FCPA 15 U.S.C. § 1691(a)(1) and Section 202.2(a) FD-100 D-10-077-100-100

it has limited the amount of charges a consumer can accrue on his or her AT&T account and the  
consumer has declined to accept service with AT&T.

appeals of those account spending limits, based in whole or in part on information contained in  
consumer records.

12. In many instances, AT&T has taken adverse action against consumers, as

17. Section 621(a) of the FCRA, 15 U.S.C. § 621(a), authorizes the Court to award monetary civil penalties of not more than \$2,500 per violation.

**INJUNCTION**

Under Section 13(b) of the FTC Act, 15 U.S.C. § 53(b), this Court is authorized to issue a

monetary civil penalties of not more than \$2,500 per violation.

**PRAYER FOR RELIEF**

RONALD G. ISAAC  
SANDRA BARRINGTON

ERIC IMPERIAL

Division of Financial Practices  
Federal Trade Commission  
Washington, D.C. 20580

Office of Consumer Litigation

*Elizabeth Stein*  
ELIZABETH STEIN, Attorney  
Office of Consumer Litigation  
Civil Division  
U.S. Department of Justice  
Washington, D.C. 20530

Attorney for the Plaintiff