UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON AT SEATTLE

FEDERAL TRADE COMMISSION,

COMMERCE

6. At all times relevant to this complaint, defendant has maintained a substantial
:ourse of business in connection with the promotion, offering for sale, or sale, through elemarketing of foreign bonds with a lottery feature to U.S. consumers, in or affecting :ommerce, as "commerce" is defined in Section 4 of the FTC Act, 15 U.S.C. Ej 44.

DEFENDANT'S BUSINESS PRACTICES

7. Defendant Bezeredi induces United States residents, many of whom are elderly, to
purchase or pay fees associated with purported European bonds. During telephone solicitations, Bezeredi's telemarketers have made varied representations to consumers to induce their purchase of the purported bonds or to induce their payment of various fees. For example, Bezeredi's telemarketers represent that by purchasing the purported bonds, consumers will be entered into
monthly drawings to win cash prizes. The teiemarketers also tell consumers that they are highly
likely to receive substantial cash winnings or that they will receive regular cash payments.
8. Relying on the statements and representations of Bezeredi's telemarketers,
consumers have paid Bezeredi thousands of dollars with the expectation of receiving substantial
cash prizes, regular cash payments, or bond investments with the chance to participate in monthly drawings for cash prizes. Ln fact, consumers who .0208 TcTj�-35Tc 12 0 0 edi thousve regulh5Et/MCI0104 Tc 2.04 0 Td104 Tc Bezerei(receivin Tc 1.20 0 Td�(regnce

drawings to win cash prizes, and do not have a high likelihood of receiving substantial cash winnings.
29. Therefore, defendant Bezeredi has violated Section 310.3(a)(4) of the TSR,
16 C.F.R. fj 310.3(a)(4).
COUNT FOUR

30. In numerous instances, in connection with telemarketing purported bonds to U.S.
consumers, defendant Bezeredi or the telemarketers that he employs have failed to disclose that the importation of and trafficking in foreign lottery materials in the United States is a crime. Defendant Bezeredi has thereby violated Section 310.3(a)(l)(ii) of the TSR, 16 C.F.R.
5 3 10.3(a)(l)(ii).

COUNT FIVE

3 1. In numerous instances, in connection with telemarketing purported bonds,
defendant Bezeredi has initiated, or has caused others to initiate, an outbound telephone call to persons' telephone numbers on the National Do Not Call Registry. Defendant Bezeredi has thereby violated Section 3 10.4(b)(l)(iii)(B) of the Amended TSR, 16 C.F.R.
5 3 10.4(b)(l)(iii)(B).

COUNT SIX

32. In numerous instances, in connection with telemarketing purported bonds,
defendant Bezeredi has initiated, or caused others to initiate, an outbound telephone

32.

/I II injunctive relief by this Court, defendant Bezeredi is likely to continue to injure consumers, reap

unjust enrichment, and harm the public interest.

THIS COURT'S POWER TO GRANT RELIEF

34. Section 13(b) ofthe FTC Act, 15 U.S.C. 53(b), empowers this Court to grant

il injunctive and other ancillary relief, including consumer redress, disgorgement, and restitution to

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prevent and remedy any violations of any provision of law enforced by the Commission.
) 35. Section 19 of the FTC Act, 15 U.S.C. 5 57b, and Section 6(b) of the b

ll Telemarketing Act, 15 U.S.C. 5 6105(b), thes Court,grant 6such to

relief,

d. Award plaintiff the costs of bringing this action and reasonable attorneys'

fees, as well as such other and additional relief as the Court may determine to be

just and proper.

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Dated: ,2005.

Respectfully Submitted,
WILLIAM BLUMENTHAL
General Counsel

CHARLES A. HARWOOD

Regional Director

Attorney' or Plaintif< /
Federal - ade Cornmission

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